



BSE Limited Phiroze JeeJeeBhoy Towers, Dalal Street, <u>Mumbai - 400 001</u>	National Stock Exchange of India Ltd., "Exchange Plaza", 5 th Floor, Plot No. C-1, G Block, Bandra-Kurla Complex, Bandra (E) <u>Mumbai – 400 051</u>
SCRIP CODE : 523367	SCRIP CODE : DCMSHRIRAM

Kind Attn.: Department of Corporate Communications/Head - Listing Department

Sub: Annual Report for the Financial Year 2022-23 alongwith Notice of the 34th Annual General Meeting to be held on July 25, 2023

Dear Sir(s),

Pursuant to the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose Annual Report for the financial year 2022-23 alongwith Notice of the 34th Annual General Meeting of the Company scheduled to be held on Tuesday, July 25, 2023 at 10:30 A.M. (IST). The meeting shall be convened through Video Conferencing/ Other Audio Visual Means without the physical presence of Members at a common venue.

You are requested to take the above information on your records.

Thanking you,

**Yours faithfully,
For DCM Shriram Ltd.**

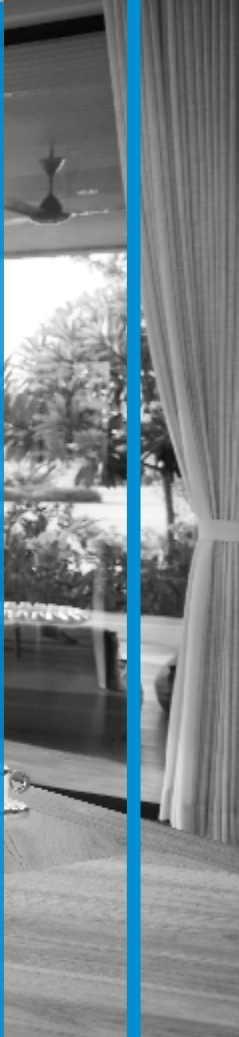
**(Sameet Gambhir)
Company Secretary and Compliance Officer**

Dated: 29.06.2023

Encl.: As above

DCM SHRIRAM LTD.

Registered and Corporate Office: 2nd Floor (West Wing), Worldmark 1, Aerocity, New Delhi - 110037, India
Tel: +91 11 42100200 e-mail: response@dcmshriram.com website: www.dcmshriram.com
CIN No. L74899DL1989PLC034923



DCM SHRIRAM LTD.





DCM SHRIRAM

Growing with trust

**WE EARN
TRUST.
EVERYTHING
FOLLOWS.**

Growth is not the first reason for our existence. It is a by-product of trust. And that is what we at DCM Shriram have made the primary objective of our pursuit. Earned and nurtured over decades, it has become the bedrock of every business, every transaction and every interaction that we are partner to. It is an old-world value that has not just helped us emerge stronger in the past, but is constantly helping us prepare for the future. It is through winning trust of everyone we touch, that we have been able to diversify and succeed across verticals - manufacturing, agriculture, chemicals and consumer products. That we are poised to expand, grow and evolve, is also for the same reason. And even as we do, we know that what we are really growing in - and with - is trust.



DCM SHRIRAM LTD.

Agri-Rural Business | Chlor-Vinyl Business | Value Added Business

Shriram Fertilisers & Chemicals • Shriram Alkali & Chemicals • DCM Shriram Sugar • Bioseed
• Fenesta Building Systems • Shriram Cement • Shriram Polytech

www.dcmshriram.com

CONTENTS

- | | |
|--|---|
| 02 Corporate Information | 14 Management Discussion and Analysis |
| 03 Chairman & Vice Chairman's Statement | 23 Business Responsibility & Sustainability Report |
| 05 Our Businesses | 53 Board's Report |
| 10 Financial Highlights | 69 Corporate Social Responsibility |
| 11 Our Vision & Values | 84 Corporate Governance Report |
| 12 Brief Profile of the Board of Directors of the Company | 96 Financial Statements |
| 13 Senior Executive Team | 198 Notice |



CORPORATE INFORMATION

Registered Office

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

Bankers

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

Statutory Auditors

M/s Deloitte Haskins & Sells
 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
Nominee Director (LIC)

Company Secretary

Mr. Sameet Gambhir

Board 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 2023-24 has been paid by the Company to the above Stock Exchanges.)

CHAIRMAN AND VICE CHAIRMAN MESSAGE

The start of financial year 2022-23 was challenging, with continued uncertainties arising from the Russia – Ukraine conflict and lockdowns in China because of rise in Covid cases. The global uncertainties peaked in first half of the year and started correcting in the second half. We believe that the disruptions caused over last three years will take time to normalise. During the year, the Indian economy has remained remarkably resilient, despite global uncertainties on account of supply chain disruptions, elevated energy prices and slowing down in the global growth. Policy measures ensured that India was able to arrive at a fine balance between growth and inflation. The momentum in the economy remains strong, as reflected by robust GST collection, increase in commercial traffic, higher manufacturing PMI, etc. Inflation too has moderated and interest rates are likely to remain stable. Government's lead in undertaking Capital expenditure has had a multiplier effect and will support further investment by the private sector. A potential risk to domestic growth can be the possibility of El Nino, particularly for a company like ours, with significant linkage to the agriculture sector. High energy prices and global geopolitical uncertainties remain as impediments that businesses will need to live with.

In the current financial year, the company's overall financial performance was satisfactory, despite the challenges arising

from high energy prices, inflationary pressures and supply chain disruptions. The Company's consolidated revenue from operations (excluding excise duty) was Rs. 11547 crore vs Rs. 9627 crore last year. Chlor-alkali business registered a growth in revenue of about 27% driven by higher realizations in first nine months of the year and higher volumes. Vinyl business revenues were lower by 31% on account of decline in realisations from their all-time highs due to lower global demand and improvement in supply chain. Revenue for sugar business increased by 21% on account of higher domestic and export volumes and higher realisation in Sugar as well as Ethanol. Shriram Farm Solutions business registered a 9% growth in revenue, Fenesta business registered a growth of 32% led by Volumes and prices, Fertilizer business revenue grew by 50% led by higher gas prices which is a pass through, and revenue for Bioseed business grew by 19%, led by volumes.

Profit before depreciation, interest and tax at Rs. 1726 Crores, was lower by 9% as compared to last year. The decline was mainly on account of 84% decrease in PBDIT of Vinyl business due to decline in product prices from their historical highs and continued high energy cost. Chlor Alkali business PBDIT recorded an increase of 15%, as margins improved with higher average realizations in first three quarters. Sugar business recorded

a decline of 20% in PBDIT in the current year, as the increase in sugarcane cost was not fully compensated by increase in sugar prices. Sugar volumes & unit realization was better than last year. Agri-input business of Shriram Farm Solutions recorded a 37% growth in PBDIT led by better realization. Fenesta business also recorded a 70% growth in PBDIT, led by higher volumes and better margins. Fertiliser business recorded a 62% growth in PBDIT led by upward revision of energy norms and better gas prices. Bioseed PBDIT also improved. Cement businesses registered de-growth in PBDIT. The net impact of the above was that overall company PBDIT margin declined to 15% from about 20% last year.

The Company continues to make substantial capital investments across businesses for their long term growth. Projects worth Rs 591 Crs were commissioned during the year. Several new projects will go on stream at the Bharuch the complex in the financial year 2023-24. This includes a 850 TPD caustic soda plant, hydrogen Peroxide facility with a capacity of 56100 TPA, Epichlorohydrine (ECH) facility with a capacity of 52000 TPA and a 120 MW coal based new power plant plus 50 MW renewable power. Manufacture of Sulphate of Potash with a capacity of 4600 TPA will be added to the sugar business. Fenesta building systems will complete the expansion at Kota, and Shriram Farm Solutions will start manufacturing of Water Soluble Fertiliser and Bio products in Rajasthan.

The company has a strong focus on Sustainability. It achieved 93rd percentile position amongst Chemicals companies globally for its overall ESG performance in the 2022 S&P Global Corporate Sustainability Assessment. We will continue to grow our businesses with sustainability as one of the key pillars.

We are pleased to share the substantial progress we have made in our CSR initiatives. With a focus on Holistic Development and Water in Agriculture, we have strengthened our commitment to sustainable practices that positively impact communities. In the past year, we have conducted two impact assessments for our programs, and in the coming year periodic evaluations of all our projects will ensure their effectiveness and alignment with our organisational goals. Work in our focus areas of livelihood, healthcare, education and environment are being undertaken in a manner that its benefits are ongoing, rather than being restricted to a one time improvement.

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 maintaining the growth momentum in the coming years.

With best wishes,



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

(Vikram S. Shriram)
Vice Chairman & Managing Director

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

OUR BUSINESSES



CHLOR-VINYL BUSINESSES:

I. Chlor-Alkali:

DCM Shriram's **Chlor-Alkali (Chemicals) business** comprises Caustic Soda (Lye and flakes), Chlorine and associated chemicals 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 coal and biomass based captive power. The company's caustic soda capacity at Bharuch is 1345 TPD and at Kota is 524 TPD.

ii. **Vinyl 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 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 41,000 TCD. These units have a total power cogeneration capacity of 152 MW and are also supported by 560 KLD of Distillery capacity and a 3180 TPD refinery. The company has also a country liquor bottling line of 10200 cases per day.



AGRI-INPUT BUSINESSES:

3. Agri-Input Businesses:

- i. Shriram Farm Solutions:** This business provides a complete basket of Agri-inputs (Research based as well as Generic) viz. Hybrid seeds, Specialty plant nutrition and Crop care chemicals 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 LNG based Urea plant with a capacity of 3.79 lakh MT, at its integrated manufacturing facility at Kota.



VALUE ADDED BUSINESSES

i. Fenesta Building Systems

manufactures windows and door systems under the brand “Fenesta”. Fenesta offers complete solutions in uPVC / aluminium windows and WPC/engineered wood 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.

5. Other Businesses

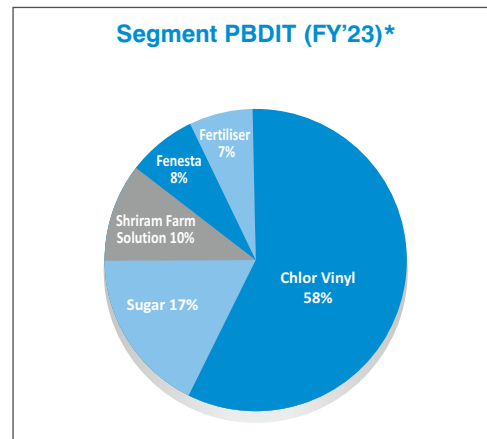
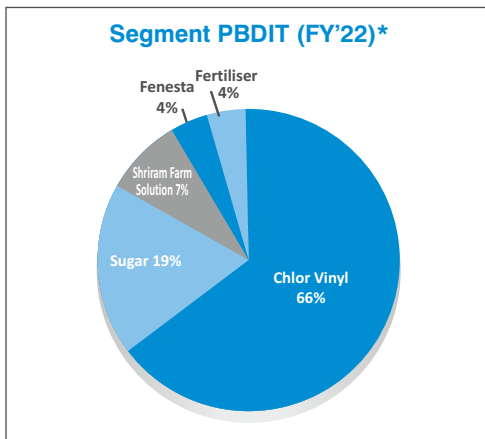
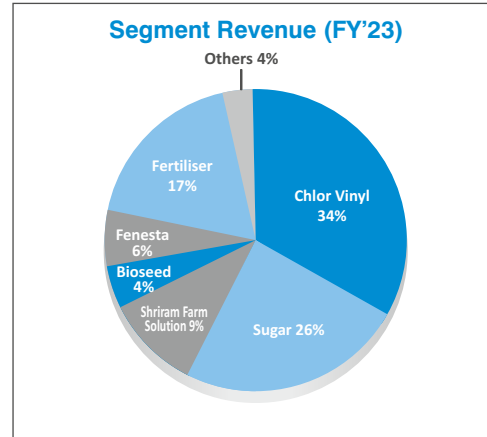
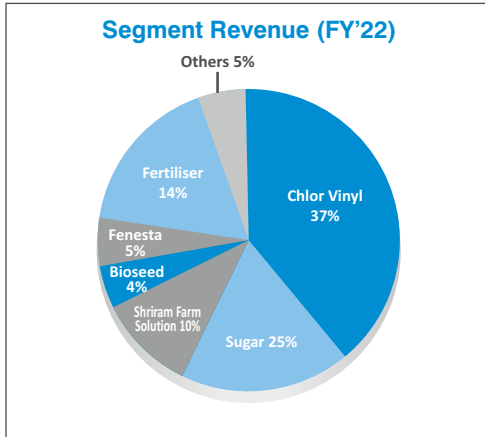
- i. **Cement:** The Company’s Cement business is located at its Kota plant with a manufacturing capacity of 4 lakh MT. The cement business leverages the waste generated from the Calcium Carbide production process to produce cement.
- ii. **PVC compounding:** This business through its 100% subsidiary (Shriram Polytech.

Ltd.) is located at its Kota manufacturing complex with a PVC compounding capacity of 32,564 MT / Annum.

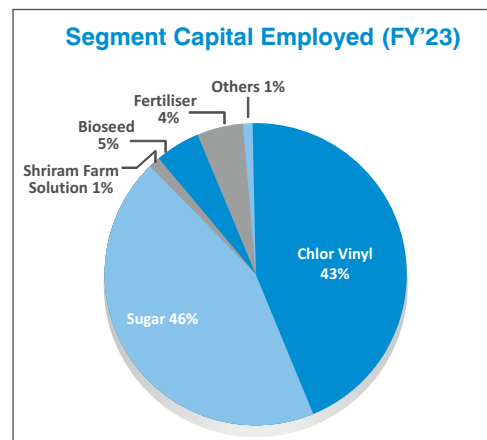
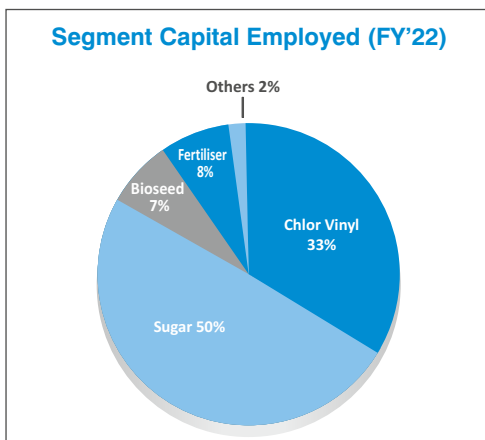
- iii. **Hariyali Kisaan Bazaar:** The Company had discontinued the retail operations few years back except for sale of fuel, which is also in the process of being rationalized.



Business Mix



*Excluding Segments having negative PBDIT



Financial Highlights

(Rs. Crores)

Financial Highlights										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net Revenue										
- Revenue from sale of products*	6159.0	5606.3	5734.2	5757.7	6858.1	7743.3	7689.3	8273.9	9573.1	11479.3
- Other Operating Income	23.2	32.9	46.3	30.8	42.4	27.8	77.8	34.3	54.4	67.7
Net Revenue from operations	6182.2	5639.2	5780.5	5788.5	6900.5	7771.1	7767.1	8308.2	9627.4	11547.0
PBDIT	558.9	450.3	545.6	817.9	1091.0	1456.3	1249.9	1244.3	1888.3	1726.1
Finance Cost	148.6	111.8	85.4	71.4	83.0	118.9	163.8	122.0	85.4	52.8
PBDT	410.3	338.6	460.2	746.4	1008.0	1337.4	1131.0	1122.3	1802.9	1673.3
Depreciation and Amortisation	137.9	110.2	98.0	113.7	140.7	157.2	219.0	233.1	238.0	260.2
PBT	272.4	228.4	362.3	632.7	867.3	1180.2	912.0	889.2	1565.0	1413.1
Exceptional Items	-	-	-	-	-	-	(14.8)	-	-	-
Profit After Tax	242.4	210.8	301.8	551.7	669.6	905.5	716.7	673.3	1067.4	910.8
Cash Profit**	360.4	318.8	397.0	705.6	864.5	1091.8	1025.4	955.7	1527.0	1416.2
Share Capital - Equity	32.8	32.6	32.6	32.6	32.6	31.4	31.4	31.4	31.4	31.4
Net Worth	1686.6	1858.5	2093.1	2529.8	2987.0	3482.1	4010.1	4607.5	5467.7	6147.3
Long Term Loans	746.4	421.0	337.2	565.6	621.5	1072.2	1078.9	1176.4	1065.2	1310.0
Short Term Loans	430.9	338.9	727.1	508.3	134.1	537.9	1071.4	275.2	443.7	323.0
Total Loans (Gross)	1177.3	759.8	1064.3	1073.9	755.6	1610.1	2150.2	1451.7	1508.8	1633.0
Total Loans (Net)	890.5	666.8	1040.3	874.3	621.4	1227.7	1606.8	135.0	4.2	680.9
Total Assets	4852.3	4416.7	5007.1	5573.9	5651.7	7136.4	8135.4	7790.7	9370.9	10721.9
Earnings per share (Rs.) ***	14.6	13.0	18.6	34.0	41.2	57.1	46.0	43.2	68.5	58.4
Dividend per share (Rs.)***	2.0	2.2	3.2	5.8	8.2	9.8	8.2	9.3	14.7	14.0

Ratios										
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Return on Net Worth (%)	15.2	11.9	15.3	23.9	24.3	28.0	19.1	15.6	21.2	15.7
PBDIT to Net Revenue (%)	9.0	8.0	9.4	14.1	15.8	18.7	16.7	15.0	19.6	14.9
PAT to Net Revenue (%)	3.9	3.7	5.2	9.5	9.7	11.7	9.2	8.1	11.1	7.9
Total Loans (Net) / PBDIT	1.6	1.5	1.9	1.1	0.6	0.8	1.3	0.1	0.0	0.4
Total Loans (Net) / Net Worth	0.5	0.4	0.5	0.3	0.2	0.4	0.4	0.0	0.0	0.1

- Figures are based on consolidated financials.
- From April 1, 2016, the Company adopted Indian Accounting Standards ('Ind AS') notified by the Ministry of Corporate Affairs. Hence, the financials from FY 2016 onwards are in accordance with IND AS
- * Revenue from sale of products is net of excise duty and GST
- ** Cash profit are before exceptional items
- *** On face value of Rs. 2 per share

OUR VISION

**VIBRANT GROWTH WITH TRUST, ENERGISED EMPLOYEES
& DELIGHTED CUSTOMERS**

OUR VALUES

I **NTEGRITY**
Uphold ethical standards. Be socially responsible. Deliver on promises.

A **GILITY**
Act with speed. Adapt continuously. Deliver results.

C **USTOMER-CENTRICITY**
Listen to customers. Build long-lasting relationships.

T **EAM WORK**
Foster collaborative working. Promote meritocracy. Practice empathy & humility.

O **PENNESS**
Encourage diverse views. Build external orientation.

N **EWNESS**
Be Innovative. Be Creative.



Brief Profile of the Board of Directors of the Company

Mr. Ajay S. Shriram, Chairman & Senior Managing Director (DIN: 00027137), is a Director of the Company since 24.07.1989. He is the Chairman of Corporate Social Responsibility Committee & Board Finance Committee, and a Member of Nomination, Remuneration & Compensation Committee and Stakeholders Relationship Committee of the Company. 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 has been conferred with Degree of Doctor of Letters (Honoris Causa) by BML Munjal University, Gurgaon (Haryana). He is the Chairman of the Governing Body of Shri Ram College of Commerce (SRCC) and Chairman of the Board of Governors of Indian Institute of Management (IIM), Sirmaur (H.P.). He is a member of the Board of CSEP (Centre for Social and Economic Progress). He is Emeritus Director of The Fertilizer Association of India. He is a Member of India-Japan Business Leaders' Forum (JBLF), DPIIT, Ministry of Commerce and Industry. He is a Member of Uttar Pradesh State Investment Promotion Board. He was a Member of the Board of Governors of Indian Institute of Corporate Affairs (IICA). He has been the President of Confederation of Indian Industry (CII) (2014-15) and the President & Chairman of International Fertilizer Industry Association (IFA), Paris (2009-11).

Mr. Vikram S. Shriram, Vice Chairman & Managing Director (DIN: 00027187), is a Director of the Company since 22.05.1990. He is the Member of Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Board Finance Committee of the Company. 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.

Mr. Ajit S. Shriram, Joint Managing Director (DIN: 00027918), is a Director of the Company since 02.05.2001. He is the Member of Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Board Finance Committee of the Company. He joined the Company in 1991 as an Executive after graduating in Commerce from Osmania University, Hyderabad. He did his MBA from The International Institute for Management Development (IMD), Lausanne, Switzerland. He has done the Owner/President Management Program (OPM) from Harvard Business School (HBS), USA. He has been the President of the Indian Sugar Mills Association (ISMA) (2013-14) and is a Director of Indian Sugar Exim Corporation Ltd. (ISEC).

Mr. K.K. Kaul, Whole Time Director (DIN: 00980318), is a Director of the Company since 02.07.2014. He is the Chairman of Risk Management Committee and a Member of Board Finance Committee of the Company. 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 and the Executive Programme from Darden Graduate School of Business Administration, University of Virginia, USA. He has over 45 years of experience.

Mr. K.K. Sharma, Whole Time Director (EHS) (DIN: 07951296), is a Director of the Company since 20.11.2017. He is the Member of Risk Management Committee of the Company. He is a 1st rank holder and Gold medalist in Chemical Technology from UDCT [now Institute of Chemical Technology (ICT), Mumbai]. He also possesses Diploma in Safety from Regional Labor Institute, Kanpur and also NEBOSH IGC in Occupational Health & Safety with distinction. He has also undergone GRI certified training on Sustainability Reporting Standards and is a CII Certified Sustainability Assessor. He is also a Certified Corporate Director by Institute of Directors (IOD). He started his career with Gharda Chemicals as Trainee Engineer in manufacturing and worked with Ranbaxy, Jubilant and Syngenta. He is a member of the CII's National Committee on Environment, IBBI Advisory group and other committees. He has more than 34 years of experience in Agrochemicals and Pharmaceutical companies in manufacturing, EHS (Environment, Health and Safety) and Sustainability.

Mr. Pradeep Dinodia, is a Non-Executive Independent Director (DIN: 00027995) of the Company. He is on the Board of the Company since 18.07.1994. He is the Chairman of Stakeholders Relationship Committee, Audit Committee and Nomination, Remuneration & Compensation Committee of the Company. 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 Chairman and Managing Partner in the Delhi-based Chartered Accountancy firm M/s. S.R. Dinodia & Co. LLP. He is Non-Executive Director and Chairman of Shriram Pistons & Rings Limited. He is a Non-Executive Director of Hero MotoCorp Limited. He is a Non-Executive Independent Director in Hero FinCorp Limited. He is the Chairman of Risk Management Committee and Corporate Social Responsibility Committee of Shriram Pistons & Rings Limited. He is the Chairman of Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Asset Liability Management Committee and IT Strategy Committee of Hero FinCorp Limited. He is the Chairman of Stakeholders Relationship Committee and Risk Management Committee of Hero MotoCorp Limited. He has co-authored a book "Transfer Pricing Demystified".

Mr. Vimal Bhandari, is a Non-Executive Independent Director (DIN: 00001318) of the Company and is on the Board of the Company since 13.05.2003. He is a Member of Nomination, Remuneration & Compensation Committee and Risk Management Committee of the Company. He graduated in Commerce from Sydenham College, University of Mumbai and is a Member of The Institute of Chartered Accountants of India. He has rich experience of more than 35 Years. He is the Executive Vice Chairman and CEO of Arka Fincap Limited. He is also the Chairman of the Board of HDFC Trustee Company Limited. He is also a member of various committees of the Boards on which he sits as a director.

Mr. Sunil Kant Munjal, is a Non-Executive Independent Director (DIN: 00003902) of the Company, has been on the Board of the Company since 13.05.2003. He is also a member of the Audit Committee, Corporate Social Responsibility Committee and the Nomination, Remuneration & Compensation Committee. Mr. Munjal is the Chairman of Hero Enterprise, which manages businesses such as insurance broking, steelmaking and real estate, plus an Investment Office which has a presence in multiple verticals. He has set up the Serendipity Arts Foundation which aims to revive patronage in the arts and has chaired the board that runs the Doon School. He sits on the boards of IIM Ahmedabad (IIMA), ISB, and SRCC. He has co-founded BML Munjal University (BMU) and is President of the Dayanand Medical College and Hospital, Ludhiana. He is a former president of the Confederation of Indian Industry (CII) and the All India Management Association (AIMA) and is a trustee at the Carnegie Endowment for International Peace (US). He is also a member of the President's Council at the University of Tokyo. He was previously on the Prime Minister's Council on Trade & Industry and has worked on policy-making committees for the Government of India including the banking and financial sector reforms (Narasimham Committee), indirect tax reform including introducing GST (Kelkar Committee), the Reserve Bank of India Committee for bank board responsibilities, etc.

Mr. Munjal was one of India Today's "Faces of the Millennium" for business. He also won the Jehangir Ghandy Medal for Social and Industrial Peace, the Udyog Rattan Award for his role in Punjab's industrial development, and the GlobScot Award from the Scottish Government for being a prominent employer in Scotland. He has also chronicled the saga of the Munjal brothers in a book- The Making of Hero, which won the Business Book of the Year 2020 Award at Tata Literature Live! Festival.

Ms. Ramni Nirula is a Non-Executive Independent Director (DIN: 00015330) of the Company. She is on the Board of the Company since 03.02.2015. She is a Member of Audit Committee of the Company. She retired as Sr. General Manager of ICICI Bank Ltd. 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. Ms. Nirula also held key position as Managing Director & CEO of ICICI Securities Limited, the Investment Banking arm of ICICI Bank Limited. She also headed the Corporate Banking Group for ICICI Bank. In addition, she was also responsible for setting up the Government Banking/Corporate Agri Group based out of New Delhi within the bank. She has more than 40 years of experience in the financial services sector.

Mr. Pravesh Sharma, is a Non-Executive Independent Director (DIN: 02252345) of the Company, who joined the Board on 09.08.2016. He is a Member of Corporate Social Responsibility and Audit Committees of the Company. He is a former IAS officer, with over 34 years of experience in the areas of food security, agriculture, rural finance, rural development and natural resources management. Since taking voluntary retirement from the IAS, he has promoted two start-ups, which work towards building sustainable and inclusive agri value chains.

Justice (Retd.) Vikramajit Sen is a Non-Executive Independent Director (DIN: 00866743) of the Company. He is on the Board of the Company since 09.08.2016. He is a Member of Corporate Social Responsibility Committee of the Company. He is a retired Judge of Supreme Court of India. He graduated in History with Honours from St. Stephen's College. He attained First Division in LL.B. from Faculty of Law, Delhi University. He has a rich experience of 40 Years.

Ms. Sarita Garg, is a nominee of Life Insurance Corporation of India (LIC), who was appointed as Director of the Company, w.e.f. 20.10.2020 (DIN: 08926869). She is a science graduate from Delhi University & PGEP (affiliated to IIM Ahmedabad). She retired as Executive Director from LIC of India. She has a total experience of around 32 years. She has worked in various departments and has a rich experience of working in Group Insurance and Information Technology.

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:

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. Roshan Lal Tamak

Executive Director & CEO – Sugar Business

Mr. Aditya A. Shriram

Executive Director

Dr. Paresh Verma

Executive Director & Chief Executive - Bioseed South East Asia & Research Director-BRI

Mr. K.K. Sharma

Whole Time Director - EHS

Mr. Vinoo Mehta

Executive Director & Resident Head- Kota

Mr. Sanjay Chhabra

Executive Director & Business Head - Shriram Farm Solutions

Mr. Saket Jain

Executive Director and Business Head - Fenesta Building Systems

Mr. Sreekanth Chundi

Executive Director & Business Head, Shriram Bioseed Genetics

Mr. Sabaleel Nandy

Executive Director & CEO - Chemicals

Mr. Amit Agarwal

Executive Director & Group Chief Financial Officer

Mr. Sandeep Girotra

Executive Director & Group Chief Human Resource Officer

Mr. Ankush Kaura

Executive Director & Chief Information Officer

Mr. B.M. Patel

President & Unit Head - Shriram Alkali & Chemicals, Bharuch

Mr. Sridhar Namburi

President & Head - Internal Audit & Risk Management

Mr. Sanyog Jain

Sr Vice President - Accounts & Finance & Dy. CFO

Mr. Anand A. Shriram

Sr Vice President - Shriram Farm Solutions

Mr. Sameet Gambhir

Vice President - Corporate Law & Company Secretary

Ms. Aman Pannu

Vice President - Corporate Communications & CSR

President – DCM Shriram Foundation

Mr. Bineet Khurana

Vice President - Legal

Mr. Pranav V. Shriram

Chief Digital Officer - Fenesta Building Systems

Mr. Varun A. Shriram

Chief Strategy Officer - Sugar Business

Subsidiary

Mr. Devdatta Sirdeshpande

Country Head - Bioseed Philippines

Management Discussion and Analysis

Performance Review

In the current financial year, the company witnessed an overall strong operating and financial performance, despite the challenges arising from high energy prices, inflationary pressures and supply chain disruptions. Russia-Ukraine conflict added to uncertainties. Despite these challenges our Chlor-Alkali, Shriram Farm Solutions and Fenesta Building Systems did well however Vinyl and Sugar businesses had lower earnings.

The Chlor-Alkali Business performed better supported by higher realizations despite high energy costs. Vinyl business reported a decline in earnings driven by higher energy prices and sharp reduction in PVC and Calcium Carbide prices from their historic highs last year. Shriram farm solutions & Fenesta building systems witnessed significant growth led by higher volumes and margins. Sugar business earnings were lower since the increase in sugarcane prices last year were not fully compensated by increase in sugar prices.

Our balance sheet continues to be strong driven by operating cash flows which enable us to invest in continuous growth as well as manage business uncertainties. Our investment projects in sugar business were commissioned in the current financial year and the ones in chemicals business are under implementation and will be completed over next two quarters. These will add to our operating and financial strength going forward.

Total Revenue from operations (excluding excise duty) stood at Rs. 11547 crore vs Rs. 9627 crore last year.

- **Chloro-Vinyl:** Chemicals revenue was higher by 27% at Rs. 3184 crore vs. Rs. 2498 crore in FY 22 driven mainly by historic higher realizations especially in first nine months led by global supply chain disruptions, higher energy prices and stable demand. **Vinyl business** revenue was lower by 31% at Rs. 769 crore driven by decline in realisations from their all-time highs led by lower global demand and improvement in supply chain. Overall revenue for Chloro-Vinyl was 9% higher at Rs. 3954 crore.
- **Sugar business** revenue increased by 21% to Rs. 2994 crore vs. Rs. 2474 crore in FY 22. The increase was attributable mainly to higher domestic and export sugar sales and better realisation.
- **Agri Input businesses – Shriram Farm Solutions:** revenue was higher by ~9% led by better realisations in all verticals. **Fertilizer business** revenue was higher by ~50% due to higher gas prices which is a pass through. Revenue for **Bioseed business** was higher by ~19% driven by volumes. Overall, Agri inputs business revenues were up 31% at Rs. 3504 crore.
- **Fenesta building systems business** is our B2C business wherein, revenues were higher by 32% to Rs. 696 crore led by higher volumes and prices.

Profit before depreciation, interest and tax (PBDIT) decreased by ~9% to Rs. 1726 crore vs Rs. 1888 crore last year:

- **Chemicals business** PBDIT stood at Rs. 1010 crore, an increase of ~15% from last year, being driven mainly by a substantial improvement in margins due to higher average realizations that outpaced the increase in input rates especially the energy and salt
- **Vinyl business** PBDIT stood at Rs. 81 crore, a decrease of ~84% from last year, driven primarily by realizations which came off their all-time highs, although the costs continued to remain firm led by energy and carbon costs

- **Sugar business** PBDIT stood at Rs. 322 crore, a decline of ~20% from last year led by higher cost of production due to increase in sugarcane cost in the last season that was not fully compensated by increase in sugar prices. Volumes were better than last year
- **Fenesta building systems business** PBDIT was higher at Rs. 143 crore vs. Rs. 84 crore last year led by higher volumes and better margins
- **Agri Input businesses** performance was better than last year. **Shriram Farm Solutions** PBDIT improved to Rs. 186 crore vs Rs. 136 crore last year led by better product prices. **Fertiliser business** PBDIT was higher at Rs. 141 crore vs. Rs. 87 crore last year mainly due to upward revision in energy norms and higher gas prices. **Bioseed business** witnessed a significant improvement in earnings led by higher volumes as well as lower provisions and write offs with respect to Seed Inventory
- **Cement business** PBDIT declined by Rs. 25 crore led by higher energy prices

Overall PBDIT margins declined to 14.9% from 19.6% last year
PAT stood at Rs. 911 crore, down 15% from Rs. 1067 crore in FY 22.

- **Finance Costs** – Finance costs during FY 23 decreased by 38% to Rs 53 crore
- **Tax** out go was Rs. 247 crore on account of MAT credit available.
- **EPS** for the year at Rs 58.4 versus Rs 68.4 in FY 22.

Net Debt as on March 31, 2023 stood at Rs. 681 crore vs. Rs. 4 crore last year.

Capital Expenditure: In line with our strategic direction of strengthening our businesses through scale, integration and cost efficiency, we are implementing various growth projects. Projects in sugar business were completed in FY 23. The progress of Chemicals and other projects is as below:

Projects under implementation

- The 850 TPD caustic soda plant along with 600 TPD flaker expected to be commissioned by Q2 FY'24
- Hydrogen Peroxide facility with a capacity of 56100 TPA is progressing as per schedule, expected to be completed by Q2 FY'24
- Epichlorohydrine (ECH) facility with a capacity of 52000 TPA along with Glycerin purification facility is progressing as per schedule, expected to be completed by Q3 FY'24
- 120 MW coal based new power plant is underway and is expected to be commissioned in Q1/Q2 FY'24
- 50 MW Renewable (Solar + wind) power via SPV route (group captive) is underway and is expected to be commissioned by Q1 /Q2'FY24
- Hydrogen Compressors with total capacity of 0.8 Lacs NM3 per day, implementation progressing as per schedule, to be completed by Q1'FY 24
- Anhydrous Sodium Sulphate System (AnSS) is progressing as per schedule, to be completed by Q1 FY'24
- **Projects under implementation in other business:**
 - **Sugar** : Manufacture of Sulphate of Potash (in a 100% subsidiary) with a capacity of 4600 TPA is progressing as per schedule, expected to be completed by Q1 FY'24

- **Fenesta building systems** : Extrusion plant expansion at Kota is progressing as per schedule, expected to be completed by Q2 FY'24 and Façade fabrication plant will get commissioned by Q3 FY'24
- **SFS** : Manufacturing of Water Soluble Fertiliser and Bio products (in a 100% subsidiary) is progressing as per schedule, expected to be completed by Q3 FY'24

Projects Implemented at an investment of Rs 591 crores:

- 120 KLD multi-feed distillery with 260 KLD grain attachment at Ajbapur
- 3000 TCD expansion at Ajbapur complex with full capacity conversion to refined sugar (13500 TCD)
- 8000 TCD capacity conversion to refinery at Hariawan Sugar unit
- Expansion of Anhydrous Aluminum Chloride capacity by 32850 TPA

We believe these steps will significantly strengthen our businesses.

Key Financial Ratios Standalone

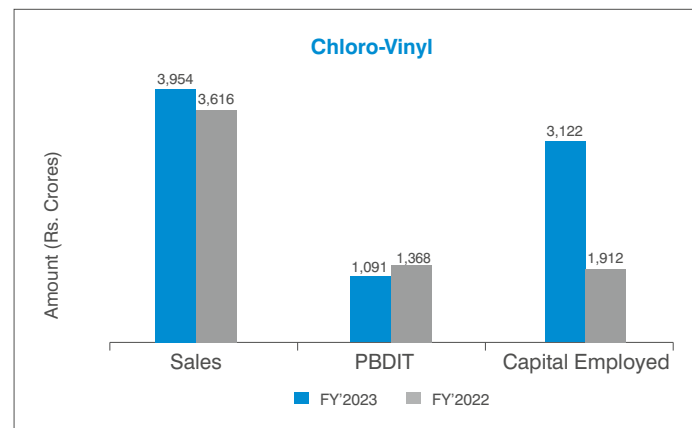
Ratios	Mar'23	Mar'22	Remarks
Operating Profit Margin (%)	13.6%	18.3%	Lower profits due to higher input costs and lower realisation of vinyl products
Net profit Margin (%)	8.2%	10.9%	Lower net profits due to lower operating profits
Interest Coverage Ratio	61.0	41.7	Due to lower finance cost in FY'23 on account of, higher capitalisation of interest and higher income from liquid investments
Current Ratio	1.8	2.2	Due to lower cash equivalent and bank balance and higher liabilities
Debt Equity Ratio	0.12	0.01	Due to higher closing Debt as a result of ongoing capital expenditure program
Inventory Turnover	6.2	5.8	Due to Higher revenue
Debtors Turnover	12.1	13.7	Due to higher average FICC subsidy on account of higher gas prices
Return on Net Worth (%)	16.3%	20.5%	Due to owing to lower profits

BUSINESS-WISE PERFORMANCE REVIEW AND OUTLOOK

CHLORO-VINYL

The Business is energy intensive and integrated and is supported by 225 MW coal based captive power facilities. There are multiple revenue streams in Chlor-Alkali (Caustic soda lye/ flakes, Chlorine, Aluminium chloride, Hydrogen, Stable bleaching powder) and in Vinyl (PVC resins and Calcium carbide). These multiple revenue streams lend stability to Chloro-Vinyl operations. Additional revenue streams of Epichlorohydrine (ECH) and Hydrogen Peroxide are being added.

The Revenue, PBDIT and Capital employed for this business for FY 23 is as follows:



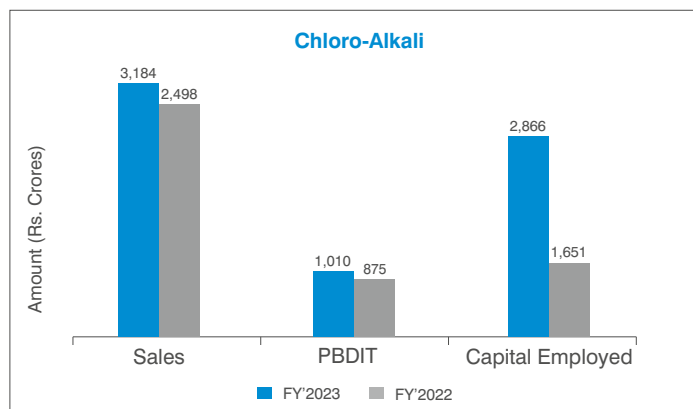
Chloro-Vinyl segment's revenue stood at Rs. 3954 crore vs. Rs. 3616 crore in FY 22. The increase was primarily a result of higher prices for Chlor-alkali and was supported further by higher Chlor-alkali volumes, a result of better operating rates. PBDIT was lower by 20% mainly on account of higher energy prices and lower realisations of vinyl products.

Chlor-Alkali business produces core chemicals viz. Caustic Soda, Chlorine, Hydrogen, Hydrochloric acid and Stable Bleaching Powder, which are widely used in manufacturing processes of other industries. The growth of this business is largely correlated to the GDP growth in the country. Caustic Soda and Chlorine are produced as co-products in the ratio of 1:0.88. Caustic Soda is used in Alumina, Paper, Textiles, Detergents, Pharmaceuticals industries etc. and Chlorine is used in Polymers, Dyes & inks, Agro-chemicals, Water treatment etc.

The Chloro- Alkali industry in India has 21 companies with a combined installed capacity of ~6 million tons per annum of Caustic Soda, increased by 20% in the last FY. The top four players comprise about 50% of the total installed capacity. The domestic demand for Caustic Soda in 2023-24 is estimated to be about 4.2 million tons per annum. In long run the demand is expected to grow in line with long term normal levels of ~5%. While demand of caustic has registered slightly better growth however demand for chlorine has not increased in same proportion due to lower growth in downstream industries. Both caustic and chlorine are considered as the building blocks of various industries and the demand of both the products are linked to the Indian GDP growth. As GDP is expected to register good growth, the demand of these products is also expected to increase.

The company operates manufacturing facilities at Bharuch (Gujarat) and Kota (Rajasthan). The aggregate production capacity at both the locations combined is 1869 TPD. DCM Shriram is the second largest manufacturer in the domestic Chlor-Alkali Industry and the Bharuch facility is the largest single location Chlor-alkali manufacturing unit in India. Both the manufacturing units have access to captive power. With the size of chemicals business operations growing, we are in the process of sourcing renewable power for our additional requirements.

The Revenue, PBDIT and Capital Employed for this business for FY'23 are as follows:



Year	Sales (MT)	Realizations (Rs./MT)
FY 23	596769	43,629
FY 22	581558	34,703
% Change	2.6	25.7

Chlor-alkali revenue increased by 27% YoY supported by higher ECU realization in first nine months of the year, due to global supply chain disruptions, higher energy prices and stable demand. Better product prices more than offset the increase in costs led by energy and salt prices, leading to higher PBDIT. Fourth quarter of the year has seen decline in prices given the global softness in Caustic Soda prices led by lower demand and new capacities that have come up in the domestic market, more capacities are being added in FY'24.

Our Strategy: Company remains committed to capitalize on the medium term trend of growing demand in the chemicals sector supported by the strong fundamentals of the economy, by constantly enhancing the production capacities and building downstream capabilities. The Company is making significant investments in this business with the objective of diversifying the product portfolio, adding value to products such as Chlorine and Hydrogen through forward integration in terms of Epichlorohydrine and Hydrogen peroxide and optimising energy costs through 50 MW green power and new 120 MW coal efficient power plant. The company is also taking measures to improve energy efficiency, increase percentage of green energy, thereby reducing the carbon footprint. We believe that the above investments demonstrate our firm belief in future of Indian economy and the chemicals business as a whole. Going forward we will continue exploring the possibilities to increase the portfolio of downstream and allied products to strengthen the chemicals business with sustainability.

Vinyl business is involved in the manufacturing of PVC Resins and Calcium Carbide. These two products form an integral part of the Chloro-Vinyl manufacturing facility at Kota with integration in terms of captive power, chlorine and cement. DCM Shriram Ltd. is the only company in the country which manufactures PVC resin through the Calcium Carbide route as against the ethylene route which is being followed by most of the Companies worldwide with the exception of Companies in China.

PVC Resin is a synthetic resin made from the polymerization of vinyl chloride with 57% chlorine and 43% carbon content. In India, more than 70% of PVC Resin gets consumed for producing PVC pipes & fittings for use in agriculture & construction as against ~45% for the world. The other

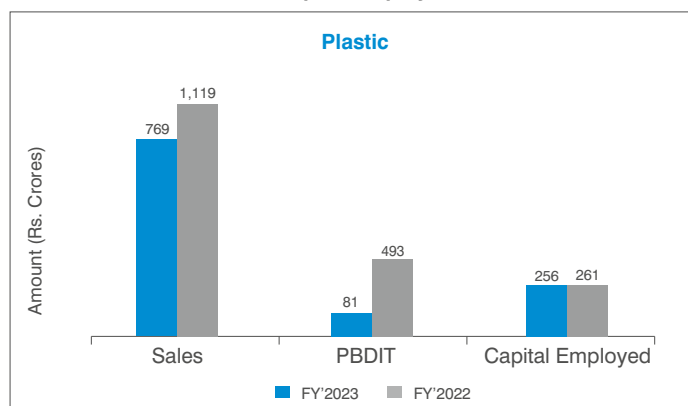
key driver for PVC resin is the growth coming from applications such as packaging, profiles, mouldings, pharma etc. India's per capita PVC consumption is merely ~2.6 kg which is very low compared to other developed economies like 14.5 kg for China and 15.2 kg for US. Calcium Carbide is used in the production of dissolved acetylene gas and Desulphurizing (DS) compound besides production of PVC resin.

The PVC Resin installed capacity in India currently stands at ~1.5 million metric tons per annum. Indian PVC market logged a CAGR of 6% from FY 2015-20 led by growth in the pipes and fittings segment, which accounts for ~70% of the overall PVC demand. The domestic demand for PVC in India at 3.7 mmt, which typically tracks GDP, is expected to log a V-shaped recovery @ CAGR of ~15% from FY21 to FY23, clocking 31% growth in FY23 and surpassing pre-covid demand of FY20 by 7%. Driven by growing investments in construction, irrigation & infrastructure sectors, PVC demand in India is projected at 6.3 mmt by 2030.

The Calcium Carbide demand in India is also expected to log a V-shaped recovery and post a growth of ~17% in FY23 on back of economic recovery and demand boost in line with GDP. The domestic demand for Calcium Carbide is estimated to register a CAGR of 10.6% from FY21 to FY23, however, it will probably take one more year for the demand to surpass pre-covid levels seen during FY20. Local demand for Carbide in India is likely to improve with expectation of higher spending by Govt. on infrastructure in FY24 & economy posting healthy GDP growth.

The imports bridge the gap between demand & domestic supply in case of both PVC resin and Calcium Carbide. Despite rapid growth in demand & likely increase in domestic PVC capacity in India, the wide gap in demand-supply in India is likely to persist & be met by imports. While imports account for more than 50% of domestic consumption in case of PVC resin, their share is approximately one-third of the total demand in case of Calcium Carbide owing to higher availability from local manufacturers. With DCM Shriram accounting for more than 30% share of the domestic Calcium Carbide market, the Calcium Carbide market in India is seen to be primarily driven by the Acetylene segment given the decline in the DS compound segment over the years.

The Revenue, PBDIT and Capital employed for FY 23 is as follows:



Year	PVC Resins		Carbide	
	Sales (MT)	Realizations (Rs./MT)	Sales (MT)	Realizations (Rs./MT)
FY 23	55,980	97,688	22,366	85,291
FY 22	67,193	1,34,404	17,309	1,03,655
% Change	-16.7	-27.3	29.2	-17.7

The business revenue was lower by ~ 31% y-o-y, while PBDIT decreased by ~84% y-o-y. Revenue was lower primarily on account of lower realizations for both PVC resin as well as calcium carbide which are off their historic peaks. Volumes are lower for PVC Resins and higher for carbide, a result of flexibility of production between the two products.

PBDIT lower primarily led by lower realizations for both PVC and Packed Carbide, and higher energy cost.

Our Strategy: The business has swing capability to sell more of PVC Resin or Calcium Carbide depending upon the return per unit of power consumed by these products. The company is focused on maximizing margins by implementing cost reduction initiatives and continuously evaluating new models that enhance process efficiency and support business' profitability and sustainability.

SUGAR

India is the second largest producer and largest consumer of sugar in the world. Indian Sugar Industry is highly fragmented with private sector, Government undertakings, Co-operatives, and unorganized players. Unorganized players are mainly involved in production of Gur and Khandsari, the less refined form of sugar. The crushing period varies from region to region beginning in October/ November and goes on till April/ May in all states except in southern states like Tamil Nadu, Andhra Pradesh where it continues till July/ August. In domestic context, sugar is the second largest Agro based industry supporting over 50 million farmers along with indirect employment to rural population. It is estimated that about 7.5% of the rural population in India is involved with the sugar industry.

There have been no significant investments in global sugar capacities over the last few years and the variations in sugar production have been largely attributable to the Sugarcane production and the flexibility in Brazil between sugar and ethanol production. World sugar balance sheet is expected to be marginally surplus than the earlier estimates on account of reduction of production in India and Thailand. Also Brazil Sugar vs Ethanol mix is expected to remain around 46% in SS 2022-23 vs 43% last season. Mills in Brazil are focusing on max sugar output because of a 2-3 c/lb sugar premium over ethanol.

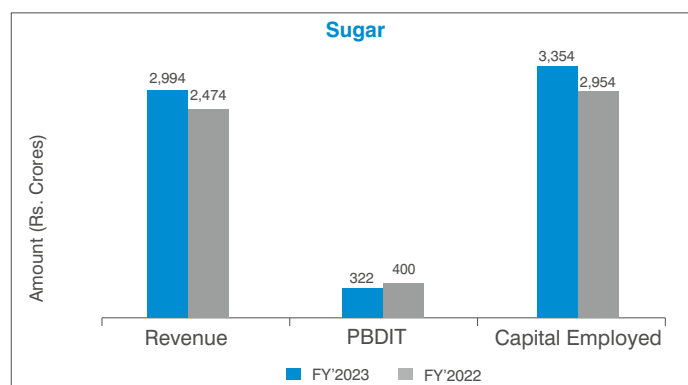
India is structurally a sugar surplus nation and in the current season it is expected to witness a decline in overall sugar production to about 32.4 mmt after considering the diversion of sugar of about 4.5 mmt to ethanol. The consumption is close to 27.5 mmt and 6 mmt is expected to be exported. Indian sugar stocks are expected to end lower at ~ 4.5 mmt. Recently, Co0238 sugarcane variety in Uttar Pradesh has seen increased incidences of red rot disease, thereby impacting sugar production by almost 10% in the State, the industry has already started taking measures to promote new varieties.

Government of India continues to be aggressive in the ethanol blending mandate and intends to achieve the target of 20% blend by 2025. For the current Ethanol season the blending rate is expected to be ~12%. The ethanol prices have been increased across categories. Government intervention will be required to promote more sugarcane juice & grain based ethanol.

DCM Shriram is a major player in the domestic sugar industry based out of

the State of Uttar Pradesh. The company has four integrated sugar complexes located in central U.P. at Ajbapur (13,500 TCD), Hariawan (13,000 TCD), Loni (8,000 TCD) and Rupapur (6,500 TCD) with a total crushing capacity of 41,000 TCD with total refined sugar capacity of 3180 TPD supported by power cogeneration capacity of 152 MW of which 93 MW of power can be exported. These four units are fully integrated with three distilleries – two on molasses feedstock located at Ajbapur (250 KLD) & Hariawan (190 KLD) and one on multi-feedstock at Ajbapur (120 KLD) with power cogeneration capacity of 14 MW, of which 1.5 MW is exportable and a country liquor bottling line of 10200 cases per day.

The Revenue, PBDIT and Capital Employed for this business for FY 23 are as follows:



Particulars	Sugar		Ethanol	
	Sales (Lac Qtl)	Realisation (Rs/Qtl)	Sales (Lac Itr)	Realisation (Rs/Qtl)
FY'23	49.1	3554	1187.4	56.7
FY'22	43.8	3475	1195.1	54.1
% Change	12.2	2.3	-0.7	4.8

Operational Data (Financial Year Basis)

Particulars	Unit of Measurement	FY 23	FY 22
Financial Year			
Cane Crushed	Lac Quintals	581.4	554.8
Recovery Rate	%	9.7	10.0
Sugar Produced	Lac Quintals	54.7	52.0

The decline in PBDIT is attributable mainly to:

- Increase in sugarcane price in the last season has not been fully compensated by the increase in sugar prices. However the volumes have been higher.
- Non-availability of market molasses in the current year. This should be addressed in the coming year with the commissioning of grain attachment.

- The imposition of regulatory fees on captive consumption of molasses and revision in molasses obligation for country liquor also impacted margins.

Our Strategy: Sugar business has over the last couple of year, built a fully integrated sugar complex having a capability of capturing full downstream value for all its four sugar factories. Now our key focus areas are:

1. Focus on improving productivity and quality of sugarcane through dedicated cane development efforts, thereby benefiting both farmers in terms of higher yields and mills in terms of better recoveries & volumes
2. Focus on sweating existing assets and drive operational efficiencies across all business lines
3. Further evaluate options of value addition on by-products

SHRIRAM FARM SOLUTIONS

With climate change and extreme weather posing new challenges for agriculture and global food production, the need for a new generation of Agri-inputs, which can help the crop deal with both biotic and abiotic stresses, is more pertinent than ever before. Shriram Farm Solution's (SFS) focus on new & advanced technology solutions, be it more efficient nutrition, specific trait seeds or biological solutions through own research and global collaborations is proving to be timely and a future ready strategy. The product portfolio includes Seeds, Specialty Plant Nutrition and Crop Protection.

SFS displayed a resilient performance during FY'23 & registered an overall growth of 9%, despite challenges posed by poor monsoon in eastern India and lower consumption in some segments like vegetables and specialty nutrition. SFS launched 14 new products during the year & out of which 4 products were developed through in-house R&D. The new products have received encouraging response from farmers. A 100% subsidiary of the company is also investing in setting up manufacturing facilities at Kota for specialty plant nutrition products.

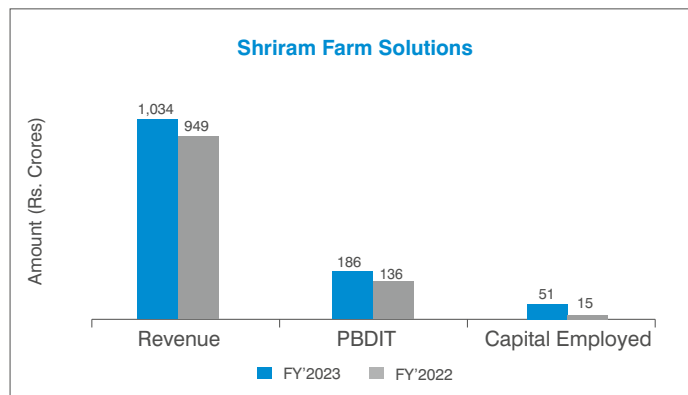
During the year, Agri Input business environment was impacted by the geopolitical uncertainty, supply chain disruptions and rising commodity prices. Despite such disruptions, due to new generation portfolio, business was able to improve its margin by 400 basis points over last year.

SFS has also been at the forefront in adopting technology like enhancing digital reach to farmers through digital mega crop shows, chat facility to farmers through WhatsApp, automation in logistics for timely delivery & bringing cost efficiency. The business has expanded geographically to high potential South India markets. SFS's vast network of field workforce and its digital presence has been instrumental in building awareness amongst farmers about new products. The business is supported by a strong distribution network spread across 18 states, reaching out to ~ 2 million farmers through ~ 35,000 retailers. The Company sells these Agri-Inputs under the brand 'Shriram' which stands for trust and quality for the last 5 decades and has strong brand equity amongst the farming community.

With fast shifting preferences of farmers due to climate change, global commodity price fluctuations and supply chain disruptions in many import dependant product segments the agriculture sector is expected to witness dynamic changes. Many industry players along with our Company are also

strengthening Biologicals (Bio-Control and Bio-stimulants) & new-gen products in their portfolio.

The Revenue, PBDIT and Capital employed for this business for FY23 are as follows:



- Revenue for FY '23 was ~ 9% higher at Rs. 1034 crore vs Rs. 949 crore last year. Revenue growth was driven mainly by higher prices for research wheat seed, other seeds and speciality plant nutrition products.
- PBDIT for FY '23 was higher by ~37% at Rs. 186 crore vs. Rs. 136 crore last year, led by higher margins due to better product prices.

Our Strategy: SFS's consistent focus on agile response, investment in future technologies and creating a healthy pipeline of products is expected to hold it in high stead in the fast developing situation in agriculture. The company plans to be the leader in farm solutions business in the geography of choice and consistently deliver superior value to stakeholders with a strong commitment towards sustainability and our values. The company has active collaborations with International Research Organizations to co-create new generation products or source technology, wherever required. We believe that these steps will enable the business to achieve healthy growth in the medium to long term.

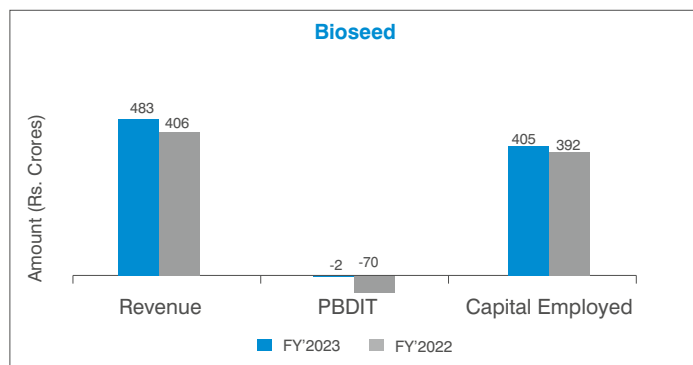
BIOSEED

Bioseed is a Research oriented organization and believes in serving the farmers by providing high quality hybrid seeds with desired traits. It is a business with end to end integration which involves research, production, processing and sales.

The key crops that we deal in India comprise of Corn, Paddy, Bt Cotton, Mustard, Vegetables among others. In Philippines we deal primarily in Corn and Paddy. Our distribution network is wide spread across regions and continues to grow.

We have our research stations in all major agro-climatic regions in Asia pacific region. We spend about 8-10% of our revenue on research activities. This has led to a healthy product pipeline. The product development is not only focused on providing high yielding hybrids, but also meeting other challenges, such as pest resistance, disease tolerance, salinity and drought tolerance. The Company has got into research alliances to further strengthen its capabilities in new technologies.

The Revenue, PBDIT and Capital employed for this business for FY23 are as follows:



Bioseed Revenues in FY 23 stood at Rs. 483 crore vs. Rs. 406 crore last year.

Indian operations witnessed an increase in revenue to Rs. 351 crore from Rs. 284 crore last year, as a result of higher cotton, corn and paddy seed sales. The Philippines revenue in FY'23 is marginally declined to Rs. 92 crore vs. Rs. 104 crore in the previous year.

PBDIT for India operations improved primarily due to higher volumes and lower seed discards and provision made on account of slow moving Cotton seed inventory. PBDIT for Philippines operations was lower from last year primarily due to drop in Margins.

Our Strategy: Research and development are the foundation of this business and we continue to invest in it. The business has realigned its business model to make it more efficient. We expect to witness a turnaround in this business in the near term. The business is strengthening its product portfolio and intensifying marketing efforts to enhance trust and create a demand pull by organizing the field activities especially on newly launched hybrids in all the major crops. The trade channel is also being strengthened.

FERTILIZER (UREA)

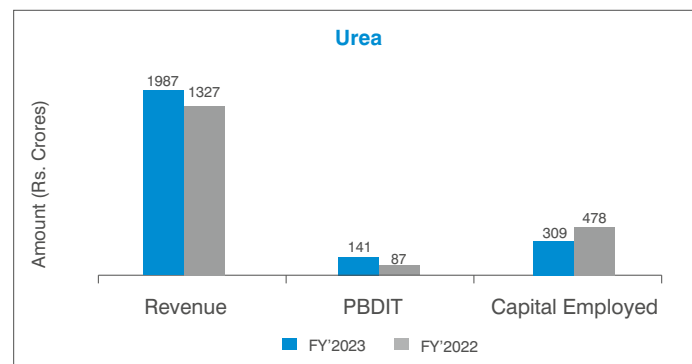
The company's Urea plant located at its integrated manufacturing complex at Kota, Rajasthan, is one of the oldest plants in the country with a reassessed capacity of 3,79,500 TPA Urea. The company markets its product under "Shriram Urea" brand, a trusted name and enjoys high brand equity amongst the farmers. The Company has an extensive distribution network over the entire Northern and Central India.

India is the second largest producer and consumer of Urea in the world. Urea is most preferred fertilizer and constitutes about 81% of entire 'N' fertilizer consumption in the country. Low farm gate price (fixed by government) and high nitrogen content has made it a preferred choice of the farmers. The gap between demand and supply of Urea has been met through imports. During 2022-23, the Indian urea production capacity has increased to 28.3 million MT, which is approx 15% over previous year after commencement of new plants. The imports have therefore reduced to 7.4 million MT (till Feb'23) against ~ 9 million MT during 2021-22.

Higher energy prices and the Russia-Ukraine conflict have kept the global NPK prices very firm over last one year. Going forward, they are expected to remain soft in the near term.

The subsidy allocation for FY'24 by Government of India is Rs 1.04 lac crore which is sufficient for full pay-outs of subsidy bills at current gas prices. Government is encouraging Nano urea which is expected to increase crop yield and reduce the subsidy burden of the government. This transition will take some time.

The Revenue, PBDIT and Capital employed for this business for FY23 is as follows:



Year	Sales (MT)	Realizations (Rs./MT)
FY 23	3,97,933	47,368
FY 22	3,88,223	32,085
%Change	2.5	47.6

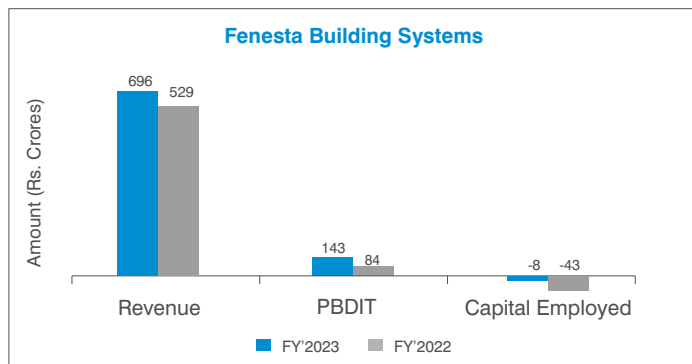
Revenue for the business was higher because of higher realizations mainly due to increased gas prices which averaged US\$ 21.1/MBT vs US\$ 14.3/MBT last year, which is a pass through. The gas prices for the Q4 were at US\$ 17.6/MBT. PBDIT was higher mainly due to upward revision in energy norms and higher gas prices. IN our drive towards sustainability we have undertaken reduction of CO2 emission, low grade heat recovery initiatives through Vapour absorption machine which is first of its kind initiative in the Fertilizer industry. Capital employed decreased due to lower urea subsidy outstanding.

Our Strategy: The Company has been making continuous efforts towards improvement in energy consumption, maximising urea production as well as control on fixed expenses.

FENESTA BUILDING SYSTEMS

Fenesta building systems is India's largest and most preferred Windows brand. Fenesta building systems provides complete solutions in terms of design, manufacture, fabrication, installation and service of precision-engineered, made-to-order window and door systems. The company operates in two segments, i.e. 'Retail' and 'Projects' (Institutional). It provides solutions for uPVC / System Aluminium windows and WPC / Engineered wooden Doors. The competition in this business is increasing with new players entering the market.

The Revenue, PBDIT and Capital employed for this business for FY23 is as follows:



Year	Sales (Windows)	Realizations (Rs./Windows)
FY 23	3,33,211	20,626
FY 22	2,68,694	19,451
%Change	24.0	6.0

Revenue for the business was higher led by volumes especially in projects segment. PBDIT for the business improved to Rs. 143 crore vs Rs. 84 crore in FY'22 mainly due to higher volumes and better margins

Our Strategy: Strategic focus area of the business is to provide exceptional customer experience and offer comprehensive product portfolio including new product lines, resulting in sustained volume growth. Fenesta building systems will be entering into a new vertical of building materials by launching Glass Façades in FY' 24.

Fenesta building systems continues to focus on enhancing product portfolio, customer experience, improved service, capacity expansion and channel expansion. Business is targeting to further improve channel productivity and sales effectiveness, which is expected to result in better conversion rates and increase in overall sales.

OTHER BUSINESSES

CEMENT

The company operates a Cement plant with a capacity of 400,000 TPA located at its integrated manufacturing facility at Kota. Calcium hydroxide sludge is generated in the process of manufacturing PVC resins through calcium carbide route, which is then converted to cement in an environmentally friendly manner using 'wet' process.

The Company produces high quality, premium grade Pozzolana Portland Cement (PPC) and Ordinary Portland Cement (OPC). The Cement is characterized by light colour, superior strength and early setting properties. These characteristics have made "Shriram Cement" to be considered as a premium brand especially in markets like Delhi/NCR and Rajasthan.

Business Performance: Revenue of the Cement business stood at Rs. 173 crore vs. Rs. 175 crore last year. The decrease in revenue of ~1 % was mainly on the account of lower production due to high costs. Fuel price has significantly increased in 2022-23 leading to severe impact on margins.

In our efforts towards sustainability we have commissioned the state of art carbonation system to capture CO₂ from flue gas and react with calcium

hydroxide sludge for conversion to calcium carbonate. This reduces carbon footprint of the company and improves resource utilisation. After this process, the by-product Sludge shall be fully utilised in Cement manufacturing. To reduce the energy conservation, various energy saving initiatives have been implemented in FY'23.

HARIYALI KISAAN BAZAAR

The Retail operations were rationalised in 2013. The Company has limited its current operations to fuel retailing, which is also being rationalized.

PVC COMPOUNDS – SHRIRAM POLYTECH

Shriram PolyTech limited is a wholly owned subsidiary of DCM Shriram Limited. Shriram PolyTech is one of the largest organized players for PVC compounds in India and has world class manufacturing facility that started in 1964. It is certified for ISO 9001, ISO 14001 and OHSAS 18001.

Evolving along with its consumers and their needs over time, what started 50 years ago with footwear and wire & cable segments, has steadily graduated to value added segments like Flame Retardant Low Smoke & Heat Resistant Cable Compounds, Automotive, Food & Medical, Colours, and now, Specialty Compounds.

Business Performance: The business' total revenues for the FY'23 were at Rs. 195 crore vs Rs. 190 crore last year. The PBDIT stood at Rs. 8.0 crore vs Rs. 8.5 crore last year.

The company is exploring new avenues of market segments which would be mainly Automotive and Engineered vinyl products through its R & D facility known as iPAC (Innovative Plastic Application Centre).

Our strategy: The company is working on expanding its product basket with introduction of new compounds and also evaluating addition of product lines at an appropriate time. The manufacturing facility is equipped with modern compounding technologies and state of the art testing equipment's in order to provide a vast range of high quality PVC Compounds to customers in different industries.

As per recent market trends, REACH compliant compound demand is increasing. Therefore, Opportunity to establish the facility for producing these products in Shriram PolyTech is being explored.

OPPORTUNITIES, THREATS, RISKS AND MITIGANTS

The Company being a conglomerate has a natural business hedge, however individual businesses are exposed to various opportunities and risks.

Opportunities:

- **Chlor-Alkali business** is seeing opportunities in capacity expansion to meet the medium-term demand growth as well as in downstream products that will help Chlorine evacuation and other value added downstream/ adjacent products.
- **Sugar business** segment of the company provides multiple opportunities for growth in multi-feed ethanol distilleries, 2G ethanol, in circular economy by adding value to by-products.
- **Agri-inputs business** of **Shriram Farm solution** and **Bioseed** will have opportunities over medium to long term in the form of rising demand for quality seeds and other farm inputs with desired traits. Demand is going up for food in the country as well as globally leading to a need for higher productivity and resistance to climate, disease and pests for crops.

Approval to GM technology in India for crops such as corn, vegetables as and when it happens, will further foster growth of hybrid seeds.

- The company's **Fenesta Building Systems** business provides opportunities in existing uPVC windows and System aluminium windows through product innovation as well as in related building products. It is seeing opportunities in WPC / Engineered wooden Doors segment. It is also entering into Glass Façade Business.
- Strong brand in all businesses, which enjoy high level of trust and credibility with customers including farmers.
- Strong financials with healthy cash flows and good project implementation track record provides ability to continuously invest in growth.

Risk, threats and mitigants:

- Businesses like **Chloro-Vinyl** are energy intensive. Rising energy costs as a result of rising international and domestic coal prices, freight, duties and levies, is increasing the cost of production. We continuously work and invest in improving our technology, efficiencies, fuel mix and sourcing, to ensure that overall cost of production is competitive. We are also in the process of sourcing renewable power upto 50 MW that will help reduce carbon footprint as well as reduce costs.
- Sugarcane output, yield and recovery are exposed to climate risks. We work extensively with farmers to improve their farming techniques and farm inputs. We also work to provide them high quality seeds.
- Climate Change - We work proactively to increase the percentage of green power in our portfolio including Renewable power, Bagasse based co-gen power plants at Sugar business as well as use of Biomass in our coal based power plants for Chloro-Vinyl Business. 42% of our energy is green. We are over 11x water positive in our businesses. Further we continuously work to improve our efficiencies hence reduce our energy consumption and the carbon foot print.
- Capital intensive nature of our Sugar, Chloro-Vinyl and Fertiliser Business. The Company manages its working capital and tries to keep overall debt at low levels and return on Capital employed at reasonable levels, to enable handling any risks arising therefrom.
- Businesses such as Sugar, Fertiliser and parts of Agri-inputs business segments are exposed to risk of regulatory intervention. Exposure to these businesses is kept at reasonable level. Further, we alongside with other industry participants and associates work with regulatory agencies on continuous basis to ensure a policy framework which benefits farmers (key stakeholder in all these businesses), consumers and industry. We have diversified the product portfolio in Sugar and Bioseed to limit the risks.
- Compliance - Increasing regulatory enactments has brought in the need for additional compliances. With various statutes and regulations, non-compliance may not only lead to monetary penalties but also have an impact on the reputation of the organisation and the goodwill it enjoys. The risk is mitigated through regular monitoring using IT tools and review of changes in the regulatory framework to ensure compliance with all the applicable statutes and regulations.

Internal Control Systems and their Adequacy

The procedures and controls are documented for all the key business processes and adhered to. Risk and Control Matrices (RCM) are documented for all key business cycles and processes and are reviewed by the Business Accounts and Internal Audit teams at periodical intervals. The Internal Audit team along with co-sourced internal audit teams carries out independent testing of effective functioning of key controls for all major business cycles either as part of the internal audits or through yearly testing plan which is duly approved by the Audit Committee at the start of the year. Further, these processes and controls are supported by SAP S4 HANA ERP and making them further robust. The Internal Audit team uses GRC Process Controls module of SAP to periodically review effective functioning of designed controls and GRC Access Controls module of SAP for ensuring adequate access rights to SAP. The key observations noted in internal audit reviews are presented to the Management and Audit Committee along with the remediation plans and action taken report.

Human Resources and Industrial/ Employee Relations

Our HR strategy is closely linked with the overall strategy of the organization, it enables us to attract, retain, and develop the right talent. It also ensures that we are investing our resources in the right areas, making decisions that are in line with the organization's strategic objectives.

To achieve above there has been a lot of focus on driving effectiveness through decisions based on data insights. We further strengthened the outcomes under the three pillars of our HR strategy (Drive Growth, Capability Build Up and Culture) by setting clear objectives and targets.

Drive Growth

- To build a sustainable and future ready Organization in line with the Growth strategy, there have been interventions designed around revisiting Organization structures to make them forward looking, building a strong Leadership bench strength through Succession planning and inducting talents through Lateral hiring, creating a focus on diversity and building the right capabilities.
- We believe that diversity is a source of strength and innovation, and we are committed to fostering a workplace that celebrates and values differences. Creating a gender balanced workforce has been one of our core focus areas in all the Businesses.
- To enhance efficiency and bring agility in our decision-making process, we have implemented the RACI matrix.
- Few Businesses experienced a slightly higher attrition rate compared to the previous year. This was attributed to increased competition in the job market and a shortage of skilled talent in certain specialized areas, however there were effective measures undertaken to proactively arrest attrition basis the data insights being tracked on a regular basis.
- We expanded the scope of our Potential assessment framework in line with our talent strategy, to strengthen functional and leadership bench strength.
- There is gamut of channels under the 'Early in Career' program to infuse fresh young talent in the Organization. Leveraging such programs has enabled us to build strong talent pipelines and develop a more diverse and knowledgeable workforce.

Capability Build Up: We view capability building as a strategic priority that is essential for organization's long-term success.

- Key focus area of our Learning and Development Strategy has been to enable the business growth agenda by Capability Development for Future, Accelerated Talent Development, and Creating an Agile Learning Culture by leveraging High Impact Learning Content from marketplace and amalgamating it with an internal learning input to provide a holistic development experience to our employees.
- There has been significant Investment in digitization by on boarding new e-learning platforms to develop and introduce a systematic and sustainable approach to learning and development that allows people to access a range of quality learning opportunities on the go.
- Focused interventions have been designed as part of senior leader development program, young professional development program and Role Transition programs from individual contributors to first time managers.
- To ensure enhanced integration of Senior Leaders within the Organization, a structured orientation program has been curated around Cultural assimilation, Relationship Building and Business understanding as the key focus areas.
- Mentoring and coaching programs have continued along with rotations of employees into new and different roles to give them a developmental exposure and learning for better career.

Culture: The commitment of the Organisation towards people is strongly enshrined in the core values and beliefs of the Organisation. Values and Culture impact employees right through the entire Employee Life cycle hence it needs to be integrated at all stages through DCM Shriram way which is:

- Regular reinforcement through Communication by Leaders to enable Employees to understand the significance of values in their daily lives and how will they demonstrate
- Linking it with the outcomes of Performance Management and Potential Assessment through Values framework
- Senior Leadership hiring based on Value Framework
- Recognition- through "living the values" at work
- Learning- To curate programs based on the Values and Behavior framework

Employee Touch Points

- Employee surveys are a powerful tool for building a great place to work. We regularly conduct surveys such as the On- boarding Survey, Employee Engagement Survey to understand the pulse of the organization. Action plans are focused on enhancing employee engagement and retention through various programs such as recognition and rewards, and initiatives to promote work-life balance. The company also conducted regular town halls and open forums to facilitate communication and feedback.
- As part of our digitization initiatives, an HR Chat Bot has been introduced to provide employees with easy access to HR policies and information, automating the HR helpdesk system. Success Factors, HRMS has been optimally leveraged to enhance data accuracy and reduce manual interventions enabling a better employee experience
- We have increased our focus on employee safety and well-being, including partnering with external organizations for Employee Wellbeing and Assistance Programs, providing access to counselling sessions and mental well-being programs, as well as safety support in case of emergencies.

Employee / Industrial Relations

- The organization continues to foster cordial and harmonious relationships with employees, based on mutual trust, understanding, and respect, in line with our progressive philosophy. As on 31st Mar 2023, number of people employed were 5871.
- HR has played a key role in implementing the wage agreement and enforcing the organization's policies, procedures, and guidelines related to industrial relations, and are committed to upholding legal compliance, effective communication, and fair resolution of grievances and disputes.
- Our core values of fairness, transparency, and engagement are well institutionalized, creating a positive and enabling work environment
- The organization places a strong emphasis on employee health, safety, responsible care, process safety, and a cleaner work environment.
- Unique initiatives and an authentic people philosophy have led to an engaging and facilitating ecosystem, aligning employees with the business and organizational goals to create a brighter future for all stakeholders.



Business Responsibility & Sustainability Reporting

[Under Regulation 34(2)(f) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

- Corporate Identity Number (CIN) of the Company:**
L74899DL1989PLC034923
- Name of the Company:** DCM Shriram Ltd.
- Year of incorporation:** 1989
- Registered address:** 2nd Floor (West Wing), Worldmark-1, Aerocity, New Delhi-110037
- Corporate address:** 2nd Floor (West Wing), Worldmark-1, Aerocity, New Delhi-110037
- E-mail id:** response@dcmshriram.com
- Telephone:** +91-011-23316801
- Website:** www.dcmshriram.com
- Financial year for which reporting is being done:** 2022-23
- Name of the Stock Exchange(s) where shares are listed:**
Bombay Stock Exchange (BSE), National Stock Exchange (NSE)
- Paid-up Capital:** INR 31.19 Crores
- Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:**

Name: Mr. K. K. Sharma

Designation: Whole Time Director- Environment, Health and Safety

Telephone Number: +91-011-23316801

Email id: kksharma@dcmshriram.com

- Reporting boundary** - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).

International subsidiaries of DCM Shriram Limited are not included in the BRSR reporting. Few Indian subsidiaries are also not included due to no major business activities. The report is prepared on standalone basis

II. Products/Services

- Details of business activities** (accounting for 90% of the turnover):

S. No.	Description of main Activity	Description of Business Activity	% of Turnover of the entity (FY' 2023)
1	Agri-Rural business	<ul style="list-style-type: none"> Shriram Sugar and Distillery Business includes sugar, ethanol and Bagasse based Cogen Power Plants Shriram Farm Solutions provides a range of agri inputs such as Plant Nutrition Solutions, Crop Care Chemicals, Urea and Hybrid Seeds 	56.88 %

S. No.	Description of main Activity	Description of Business Activity	% of Turnover of the entity (FY' 2023)
		<ul style="list-style-type: none"> Shriram Bioseed Business is into R&D of Hybrid Seeds, Seed production and processing Shriram Fertilisers and Chemicals includes manufacturing of Urea 	
2	Chlor-Vinyl business	<ul style="list-style-type: none"> Manufacturing of Caustic Soda, Chlorine, Hydrogen, Stable Bleaching Powder, Calcium Carbide, PVC resins, Aluminum Chloride 	33.33 %
3	Value added business	<ul style="list-style-type: none"> Fenesta Building Systems that manufactures UPVC and Aluminium windows & doors 	5.85 %

- Products/Services sold by the entity (accounting for 90% of the entity's Turnover):**

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Manufacturing of Chemicals and Fertilizers	201	43.75 %
2	Manufacturing of Sugar and Ethanol	201	28.30 %
3	Trade of agri-inputs	4620	8.62 %
4	UPVC and Aluminium Windows and Door Systems	2220	5.85 %
5	Seed processing activities, research activities	164	3.06 %
6	Manufacturing of cement	2394	1.46 %
7	Co-generation of power	3510	0.79 %

III. Operations

- Number of locations where plants and/or operations/offices of the entity are situated:**

Location	Number of plants	Number of offices	Total
National	11	75	86
International	1	3	4

17. Markets served by the entity:
a. Number of locations

Locations	Number
National (No. of States)	28 (+ 6 Union Territories)
International (No. of Countries)	60

b. What is the contribution of exports as a percentage of the total turnover of the entity?

4.12%

c. A brief on types of customers

Through its various businesses, DCM Shriram caters to two distinct categories of customers:

- Business-to-Business (B2B)
- Business-to-Consumer (B2C)

IV. Employees
18. Details as at the end of Financial Year:
a. Employees and workers (including differently abled):

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	3963	3797	95.8%	166	4.2%
2.	Other than Permanent (E)	1890	1394	73.8%	496	26.2%
3.	Total employees (D+E)	5853	5191	88.7%	662	11.3%
WORKERS						
4.	Permanent (F)	1505	1505	100%	0	0%
5.	Other than Permanent (G)	6947	6831	98.3%	116	1.7%
6.	Total workers (F + G)	8452	8336	98.6%	116	1.4%

b. Differently abled Employees and workers:

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	0	0	0%	0	0%
2.	Other than Permanent (E)	0	0	0%	0	0%
3.	Total differently abled employees (D + E)	0	0	0%	0	0%
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	0	0	0%	0	0%
5.	Other than permanent (G)	5	5	100%	0	0%
6.	Total differently abled workers (F + G)	5	5	100%	0	0%

19. Participation/Inclusion/Representation of women
V. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	12	2	16.7%
Key Management Personnel	3	0	0%

20. Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	15.5%	13.3%	15.4%	14.9%	14.9%	14.9%	18.4%	27.3%	15.8%
Permanent Workers	14.6%	0%	14.6%	9.1%	0%	9.0%	12.1%	16.7%	12.2%

21. Holding, Subsidiary and Associate Companies (including joint ventures)
(a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ subsidiary/ associate joint venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
1	Bioseed India Limited, India	Subsidiary	100%	NA*
2	DCM Shriram Infrastructure Limited, India	Subsidiary	100%	NA*
3	DCM Shriram Credit and Investments Limited, India	Subsidiary	100%	NA*
4	DCM Shriram Aqua Foods Limited, India	Subsidiary	100%	NA*
5	Fenesta India Limited, India	Subsidiary	100%	NA*
6	DCM Shriram Foundation, India	Subsidiary	100%	Yes
7	Hariyali Rural Ventures Limited, India	Subsidiary	100%	NA*

8	Shridhar Shriram Foundation, India	Subsidiary	100%	NA*
9	Shriram Polytech Limited India	Subsidiary	100%	Yes
10	Shriram Bioseed Ventures Limited, India	Subsidiary	100%	NA*
11	Bioseeds Holdings Pte. Ltd., Singapore	Subsidiary	100%	NA*
12	Bioseed Research Philippines Inc. Philippines	Subsidiary	100%	No
13	Bioseeds Research USA Inc., USA	Subsidiary	100%	NA*
14	DCM Shriram ProChem Limited	Subsidiary	100%	NA*
15	DCM Shriram Bio Enchem Limited	Subsidiary	100%	No
16	DCM Shriram Ventures Limited	Subsidiary	100%	NA*
17	Shriram Agsmart Limited	Subsidiary	100%	No
18	Renew Green (GJ Ten) Private Limited	Associate	31.20%	NA*

*No major business activities

22. CSR Details

(i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No): Yes

(ii) Turnover (in Rs.): INR 11747.36 Crores

(iii) Net worth (in Rs.): INR 6271.21 Crores

23. Transparency and Disclosures Compliances

Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct :

The Company addresses all the complaints and grievances of all its stakeholders expeditiously. A grievance redressal platform is provided for each stakeholder group, information on which can be found on the Company's website. The details of complaints received and resolved during the year are as follows

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark
Communities	Yes	0	0		0	0	
Investors (other than share holders)	Yes	0	0		0	0	
Share holders	Yes	10	0		5	0	
Employees	Yes	0	0		0	0	
Customers	Yes	3909	93	Refer* Note	33	0	Refer** Note
Value Chain Partners	Yes	0	0		0	0	Nil

*Includes repair and maintenance related grievances. Considering normal turnaround time required for resolution of consumer complaints, during the year, 98% of the complaints have been resolved in best practical way to the satisfaction of customers and remaining are being resolved on an ongoing basis.

** Excludes repair and maintenance related grievances.

<https://www.dcmshriram.com/sites/default/files/Vigil%20Mechanism%20Policy.pdf>

• Communities

The Company has established a community grievance redressal process as a platform for communities to voice their concerns and to promote transparency and expediency in the resolution process. As per the Whistle Blower Policy, community members can send any concerns or grievances at the email id:

alert@dcmshriram.com.

• Investors and Shareholders

Investors and shareholders have access to the Company Secretary through a dedicated email to report any concerns or grievances i.e.

share@dcmshriram.com.

• Employees and Workers

The Company's Whistle Blower Policy provides a mechanism for employees, including full-time, part-time employees and contractual workers to report any concerns or grievances. The policy aims to ensure that genuine complainants are able to raise their concerns in full confidence, without any fear of retaliation or victimization and also allows for anonymous reporting of complaints. The designated Ombudsman administers the entire process – from reviewing and investigating concerns raised and undertaking all appropriate actions to resolve the issue. Any instance of serious misconduct brought to the Ombudsperson is also reported to the Audit Committee.

• Value Chain Partners

The Company's Whistle Blower Policy allows suppliers, contractors, vendors and business associates to report any complaints or concerns to the Ombudsman office. All value chain partners have access to the Ombudsperson through e-mail, secure hotline and

post. They can send an e-mail marked confidential to alert@dcmsriram.com.

• **Customers**

The Company's Whistle Blower Policy also allows customers to report any complaints or concerns to the Ombudsman office as per the process defined in the policy. Additionally, a dedicated customer care service platform is set up to receive and address customer complaints and grievances via tele calling in Sugar, SFS, Bioseed and Fenesta business. Customers can also raise their concerns on a dedicated email/ contact number as provided on the company website.

24. Overview of the entity's material responsible business conduct issues.

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along with its financial implications, as per the following format.

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Cyber Security Technology / Information Security	R	Negative
2	External Environment - Implications of Govt. Policies changes in agri sector	R	Negative
3	Compliance Risks	R	Negative
4	Natural calamities due to climate change	R	Negative
5	Health & Safety	R	Negative
6	Rising "Sustainability Risks"	O	Positive

Material issues which are posing risk and can have negative financial implications:

1. Cyber Security / Technology / Information Security

Risk

Risk of data loss, and information security and privacy breach can lead to accidental exposure of confidential information, result in regulatory non-compliance and attract legal liabilities. This also poses risk of financial loss that can arise from attacks on the company's IT network and loss of confidential information.

Mitigation Measure

DCM has implemented robust information security controls and processes to mitigate any internal or external threats, such as deployment of automated patch updates, firewall with anti-virus and intrusion prevention system, third party assessments of IT infrastructure including vulnerability assessment and penetration testing (VAPT) and regular monitoring of OEM support to system. An Information Security Management System has been put in place across all business units. For risks associated with remote working, we have implemented measures for cyber security including remote access to applications through encrypted VPN, employee training and awareness on cyber security, dissemination of automated warnings for potential phishing attacks and two-way authentication access to email system.

2. External Environment : Implications of Govt. Policies changes in agri sector

Risk

With dynamically evolving regulations, businesses such as sugar, fertiliser and some components of Bioseed business, are exposed to risk of potential non-compliance which can result in fines, penalties and adverse impact on our brand reputation.

Mitigation Measure

We periodically monitor and review changes in regulatory frameworks to ensure compliance. Furthermore, as part of industry associations, we are working with the Government to ensure sustainable policies.

3. Compliance Risks :

Risk

Constant amendments to Corporate regulatory / legal landscape – Compliances becoming more onerous, stringent and complex due to frequent amendments to regulations.

Mitigation Measure

Any new statute / legal requirement or amendments to existing framework is being monitored continuously and necessary / adequate training (need based) is given to the requisite teams / departments for updating their knowledge. Engagement of external experts / consultants on need basis. Continuous monitoring on trading of shares by any insider / designated employees and regular trainings and education on the Insider trading regulations and amendments are imparted. Legal compliance framework is in place. Further, online

compliance tool (covering all applicable Acts) has been implemented to automate and strengthen the process.

4. Natural calamities due to climate change:

Risk

Agriculture in India is highly vulnerable to impacts of climate change. Increased frequency and severity of extreme weather events due to climate change can adversely impact our business continuity through impacting Parent seed Production, Hybrid seed Production, Seed inventory for sales.

Mitigation Measure

Ongoing plans are in place for parent seeds:

- Two year rolling plan for parent seed production has been implemented. Buffer stock of parent seeds maintained to take care of monsoon uncertainties for the coming season.
- Parent seed production is carried out in different locations.
- Carrying out R&D for developing seed varieties that sustain stressed weather conditions

Hybrid Seeds:

- Seeds production is spread over different climatic zones, viz. Andhra, Telangana, Karnataka and Gujarat.
- Adequate cold storage facilities tied up to store the surplus stock of seeds in a way that prolongs their life.
- Insurance coverage has been obtained for any climate related calamities

5. Health & Safety

Risk

Health and safety of employees is considered paramount for business sustainability. Handling and transportation of some of the products may pose a Health & Safety risk to employees and other stakeholders. In Transit leakages of Chlorine and other chemicals like (Stable bleaching powder (SBP) might cause fire etc. up to Customer's destination and may create a hazardous situation. Process control failures leading to Chlorine Leakage may create a hazardous situation at the plant site

Mitigation Measure

Health and safety of employees is considered paramount for business sustainability. The Company has taken several initiatives to ensure best safety practices and system in place that includes certification of

sites for ISO 45001 on Occupational Health & Safety standard. Besides this following measures have been undertaken:

- Periodic equipment health checks and monitoring of bulk storage tanks.
- Regular safety audits by the British Safety council on Five Star Safety System.
- Regular safety training sessions are conducted for employees including contract workers;
- Health and safety risk assessments are conducted regularly at both plant and when in transit.
- Chlorine storage and filling facility inspection and certification undertaken by CCE approved agency along with regular process safety audits.
- Physical Verification conducted for each incoming and outgoing vehicles for raw materials and finished goods based upon a comprehensive checklist.

Material issues which are providing Opportunities and can have positive financial implications:

6. Rising “Sustainability Risks”

Sustainability is embedded in the EHS policy by striving towards conserving natural resources and conservation of energy. The EHS Policy includes reporting of ESG performance as per SEBI's requirement for BRSR reporting. The leadership team has set a clear direction and encourages every business to strive and adhere to the compliance of these goals. These are being incorporated in annual business plans. An MIS is in place for each site to monitor a few critical metrics that includes water consumed and effluent treated, energy consumed, wastes generated and disposed off, which are periodically reviewed by Corporate EHS

















- Projects identified for Green House Gases (GHG) reduction are under implementation. 50 MW RE power proposed at Bharuch as part of GHG reduction initiatives.
- For supply chain partners: Supplier code of conduct covering aspects like compliance to ethical conduct, statutes related to EHS, human rights, No child labor, Diversity etc., are being implemented progressively at each business unit. The Company has started initiatives in creating awareness about ESG among key supply chain partners.

SECTION B : MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	http://dcmshriram.com/company%27s-policies								
2. Whether the entity has translated the policy into procedures. (Yes /No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) mapped to each principle									
Principle 1	<ul style="list-style-type: none"> Reporting aligned to GRI Standards and International Integrated Reporting Framework International Standard on Assurance Engagement (ISAE) 3000 (Revised) - limited assurance criteria 								
Principle 2	<ul style="list-style-type: none"> ISO 14001 Environment Management System ISO 45001 Occupational Health and Safety Management System Responsible Care Certification Bonsucro Certification 								
Principle 3	<ul style="list-style-type: none"> ISO 45001 Occupational Health and Safety Management System Responsible Care Certification British Safety Council five-star safety rating system 								
Principle 4	<ul style="list-style-type: none"> Materiality assessment and Stakeholder Engagement in line with GRI Standards 								
Principle 5	<ul style="list-style-type: none"> Bonsucro Certification Responsible Care Certification 								
Principle 6	<ul style="list-style-type: none"> ISO 14001 Environment Management System Responsible Care Certification 								
Principle 7	<ul style="list-style-type: none"> Member of Confederation of Indian Industry (CII) Founding Member of India Business and Biodiversity Initiative (IBBI) 								
Principle 8	<ul style="list-style-type: none"> Responsible Care Certification 								
Principle 9	<ul style="list-style-type: none"> ISO 9001 certified Quality Management System ISO 14001 certified Environmental Management System Responsible Care Certification 								

5. Specific commitments, goals and targets set by the entity with defined timelines, if any.

Principles	Commitments/ goals/ targets	SDG Linkage
P1	100% compliance to policies and zero tolerance towards bribery and unethical practices	
P2	MSDS / Product information	
P3	Reporting of safety observations, EHS trainings, Contractors and Vendors EHS agreements	
P4	Strive to maintain Customer satisfaction score 90%, CSR, Investors, employee engagement	
P5	No child labour, no forced or compulsory labour and no discrimination cases	 
P6	Water, energy and waste targets for climate change mitigation	   
P7	Sustainability Reporting assured by 3rd party, participation in industry associations	
P8	CSR Goals under Education, vocational skills and livelihood; Environment Sustainability and Rural development are regularly pursued and monitored by CSR Committee of the Board	  
P9	ISO 9001/ MSDS /REACH/ISO 45001/ Product Stewardship/Cyber Security - 100 % Compliance	 

6. Performance of the entity against the specific commitments, goals, and targets along-with reasons in case the same are not met.

Principles	Performance of the entity against their goals, commitments, and targets
P1	100% Compliance
P2	Product information shared with customers for its safe use and disposal
P3	Employees are engaged in reporting of safety observations for building safety culture through increased awareness
P4	Stakeholder's complaints are addressed on priority and all efforts are made to ensure closure of complaints - 98% of the complaints have been resolved at the end of FY'2022-23.
P5	No child labour cases, equal opportunity of employment to all and 2 cases under POSH were reported during FY2022-23
P6	Water, energy and waste targets monitoring <ul style="list-style-type: none"> Reduction in Specific Water intensity by 25% (KL/ Lakh INR Revenue) and 14% (KL/ t Production) Reduction in Specific Energy intensity by 29% (TJ/ Lakh INR Revenue) and 12% (TJ/ t Production) Reduction in Specific GHG Emissions intensity by 23% (tCO₂e/ Lakh INR Revenue) and 12% (tCO₂e/ t Production) Specific Hazardous Waste in kg/ Lakh INR Revenue remained constant and increased by 17% in kg/ t Production due to Catalyst that was generated during the year. (Catalyst generation rate is once in two years) 12 times water positive during FY'2022-23.
P7	Sustainability reporting as per GRI Standards and assured by third party; participated in CII, FICCI, FAI, CMA, ISMA, AMA.
P8	Preventive Healthcare: Education, vocational skills and livelihood; Environment Sustainability and Rural development are regularly pursued and monitored by CSR Committee of the Board-For details please refer Section C under Principle 8.
P9	Information about the product and its use provided on the product labels and also relevant safety related information shared through MSDS supplied along with the products as applicable.

Governance, leadership and oversight

7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure).

This year as well company continued to work towards the long-standing commitment towards integrating environmental, social and governance (ESG) principles into all our operations across the value chain. In all our initiatives, communities we serve, and biodiversity has been at the core of it. We are committed towards contributing to the national targets for achieving United Nations' Sustainable Development Goals (SDGs) and all our operations aligns with it. With a solid foundation of our integral values, our sustainability performance is reflected in efforts towards enhancing health, safety and environmental impacts of products and services across their lifecycles.

Being mindful of the importance of a healthy ecosystem for a sustainable future, we strived to work towards minimizing the environmental impacts. Furthermore, the company strengthened the business strategies designed to cover Climate Change impacts, ensuring Health & Safety of all, rich biodiversity, sustainable use of natural resources and social well-being. The Company also participated in the Corporate Sustainability Assessment (CSA) by Standards & Poors Global (S&P) for Dow Jones Sustainability Index (DJSI) and ranked amongst the top 7% most sustainable companies out of 525+ global chemical companies*.

Company is cognizant of the threats imposed by the increasing water scarcity in the multiple regions of the country. As part of a long-term mitigation plan, multiple initiatives were taken to reduce the withdrawal of groundwater and increasing the ground-water recharge. In our operations we are continuously shifting to new technologies that enables us to reduce the water consumption. Around our operations, we take multiple initiatives to create a long-term impact of surface-water and ground-water. This year also the Company was able to sustain 12 times water positive status.

A range of water-harvesting structures have been constructed in the vicinity of our manufacturing sites. These initiatives augmented the availability of the water round the year for the farmers and also increased soil moisture. This in-turn supported a better yield for the farmers. Over the years, the impact of these structures would multi-fold as they continue to recharge the groundwater and would support the natural regeneration processes as well. Furthermore, taking ahead the agenda of developing a green belt around our areas of operation, the company continued tree plantation drive by planting more than 62000 new saplings during the year.

The Company stands committed to increase the mix of green energy in its overall consumption of different energy sources. This year the total direct green energy was 42% of total energy mix. On another key environmental parameters as well, company has been acting swiftly with an agenda to get a status of zero waste to landfill and zero liquid discharge across facilities. The Company also received Award for Excellence in Environment Management for outstanding policy, practice and result on the journey to environmental excellence in sustainable business by CII during the financial year.

Company continued to demonstrate unwavering dedication towards its social responsibilities. Through CSR initiatives, company positively engaged with the communities located around our operation areas. With an idea to engage with the different sets of stakeholders in a community and addressing the needs of the region, programs on health, sanitation, education, environmental sustainability, and livelihood generation are implemented. Special initiatives had been taken to strengthen the socio-economic profile of farmers, which company recognizes as a key stakeholder. These initiatives were directed towards strengthening their capabilities for smart agriculture practices, leading to increased profitability margins.

Overall, through CSR initiatives, an amount of INR 18.76 crores has been spent on different projects undertaken across various states. There are few ongoing projects, for which INR 3.5 crores have been dedicated and transferred to a separate account. More than 1.35 lakhs people were positively impacted by various CSR projects undertaken during the financial year.

With a broader scope, company's commitment towards ethical business practices not just covers the community but also involves the workers, and human capital as well. Clean, safe, healthy, and fair working conditions are provided to employees and business associates. With years of efforts, safe work culture has been in-grained in the business operations. The company has the agenda of learning, development and inclusion among the human capital at the fore front.

All of this could only be achieved because of the strong governance framework in place which is based on the pillars of integrity, accountability, and transparency. The company has various policies in place to ensure the smooth implementation of the ESG aspects material to our businesses. Going forward, through specific policies, guidelines, and a code of conduct, we will strive to actively engage with all key stakeholders in the value chain.

K. K. Kaul

Whole Time Director

*As on 17.03.2023

Disclosure Questions	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Board of Directors								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes 1. Led by Mr. K. K. Kaul, DIN: 00980318, Whole Time Director, the following members have been nominated as a team responsible for Business Responsibility and Sustainability Reporting initiatives: 2. Mr. K. K. Sharma, DIN: 07951296, Whole Time Director (EHS) 3. Mr. Amit Agarwal, Executive Director & Chief Financial Officer 4. Mr. Sandeep Girotra, Executive Director & Chief Human Resource Officer								

10.Details of Review of NGRBCs by the Company

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9
Performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annually								
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency?	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	Yes. DNV#, KPMG*,PwC,Sanjay Grover & Associates Company Secretaries, SD Partners Lawyers																	

*Independent Assurance as per ISAE 3000 Assurance Standard on sustainability reporting.
 #Independent Audit on ISO 14001, ISO 45001, and ISO 9001 standard

12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9
The entity does not consider the Principles material to its business (Yes/No)	NA								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

Table 1- Annexure to 1a- Policies aligned to NGRBC Principles

Principles	DCM Shriram's Policy
P1	Code of Conduct, Policy on Related Party Transactions, Insider Trading Policy, Code of Fair Disclosure
P2	EHS Policy
P3	Code of Conduct, EHS Policy, Human Rights Policy
P4	Business Responsibility Initiatives - Policy and Framework, Whistle Blower Policy
P5	Code of Conduct and Policy on Human Rights, POSH, Whistle Blower Policy
P6	EHS Policy
P7	Code of Conduct, EHS Policy
P8	CSR Policy
P9	Code of Conduct, EHS Policy, Whistle blower Policy, Integrity and Customer Centricity Value, Privacy Policy

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE
Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

DCM Shriram holds itself up to the highest standards of integrity, transparency and accountability in its business conduct. The Company's philosophy on Corporate Governance is focused on a rich legacy of fair, ethical and transparent policies and Governance practices. This is evidenced by the policies and systems put in place to outline the ethical principles and guide the conduct and behavior of its Directors, Senior Management and employees.

Essential Indicators
1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topic principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	6	The Companies Act 2013, SEBI Regulations including SEBI Listing Regulations and SEBI Insider Trading Regulations, Sustainability Reporting, Project Safety, Business Responsibility initiatives, Global financial, business Trends, CSR and Financial reporting, Whistle Blower, Awareness/ Compliances of Related Party Transactions, etc.	100%
Key Managerial Personnel	10	Code of conduct, Company Values, ESG, Sustainability Reporting, Whistle Blower Policy, Prevention of Sexual Harassment (POSH) Policy, Global and National financial updates, business trends, financial reporting, HR Policies and employee welfare, Awareness/ Compliances of Related Party Transactions, Insider Trading Compliances, etc.	100%
Employees (other than BoD & KMPs)	473	Fish Bone Analysis on Electrical Breakdown/ Business Etiquettes / Team Congruence /Conflict Mgt/Emotional Intelligence/Delegation/ Sense of ownership Crop Management, Payroll, Compliance, Project Management, Inventory Handling, Seed Sampling, Biometrics and Breeding Scheme Optimization, Plant Protection, Training of Genovix etc, Handling complaint In Sales Industry, Product awareness, 5S, ESG, Field Quality Improvement, Safety, Business Communication Skills, Managerial	100%

Segment	Total number of training and awareness programmes held	Topic principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
		Effectiveness, Habits of Successful people, Team Building, Well being, Values, POSH, Safety, Emotional Intelligence, Accountability and Insider Trading Compliances	
Workers	465	Workmanship / Behaviour / Safety / BBS/ Discipline / Team Work, POSH, BBS, COC & Executive Presence, Safety, 5-S,	100%

2. **Details of fines / penalties / punishment / award / compounding fees / settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
Category	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	Nil	Not applicable	NA	Not applicable	Not applicable
Settlement	Nil	Not applicable	NA	Not applicable	Not applicable
Compounding fee	Nil	Not applicable	NA	Not applicable	Not applicable
Non - Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions		Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	Nil	Not applicable		Not applicable	Not applicable
Punishment	Nil	Not applicable		Not applicable	Not applicable

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of regulatory/enforcement agencies/judicial institutions
Not applicable	

4. **Does the entity have an anti-corruption or anti-bribery policy ? If yes, provide details in brief and if available, provide a web-link to the policy.**

As part of DCM Shriram's Code of Conduct, we have established anti-corruption and anti-bribery guidelines. All employees, the Board of Directors, and senior management are considered under the policy. According to the policy, employees are prohibited from offering or receiving bribes in the form of gifts, donations, hospitality, or entertainment from the Company's current or potential suppliers, customers, or third parties with business dealings under any circumstances. To demonstrate their understanding of the policy and pledge to follow its guidelines, all employees are encouraged to attend a training session on it.

As part of the internal audits, risk assessments are done to find and acknowledge any potential risks related to bribery and corruption. In case of a complaint on bribery or corruption, DCM Shriram follows a formal procedure by investigating, and taking appropriate action. This kind of misconduct can be brought to the attention of the Board's Audit Committee on a regular basis. Disciplinary moves are to be made in the event of any infringement of the General set of principles, which can incorporate punishments, lawful activity and even end of work or business contract, contingent on the seriousness of the breach. The weblink of our code of conduct policy:

[https://www.dcmshriram.com/sites/default/files/CODE%20OF%20CONDUCT%20-%20BRD%20MEMB%20&%20SR.%20MGMT%20-%20Final%20\(BM%2004.10.2014\)%20.pdf](https://www.dcmshriram.com/sites/default/files/CODE%20OF%20CONDUCT%20-%20BRD%20MEMB%20&%20SR.%20MGMT%20-%20Final%20(BM%2004.10.2014)%20.pdf)

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/corruption:

No disciplinary action has been taken against any of the directors, KMPs or employees pertaining to anti-corruption and anti-bribery.

	FY 2022-23	FY 2021-22
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

6. Details of complaints with regard to conflict of interest:

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not Applicable

Leadership Indicators

1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
55524	Farmer meeting, Dealers meeting and Visits to the field Crop Shows/Field Days, Product demonstration, Jeep campaigns for SFS Business	97%
165	TREM Card, Emergency information panel, Chemical hazards, Road safety programs etc. for	100%

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
	Transporters carrying hazardous chemicals	
89728	Climate smart agricultural practices, Soil health & Nutrition Management Ratoon Management Biological Control of insect & diseases. Planting method & seed treatment Sustainable Agronomical Practices for Sugar	96%
81739	Farmer campaigns and meeting, Crop Shows/ Field Days, Product demonstration, jeep campaigns for Bioseed Business	95%

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No) If Yes, provide details of the same.

Yes, DCM Shriram has established stringent procedures to prevent Board members from engaging in conflicts of interest. The Board's Code of Conduct, Code on Prevention of Insider Trading and Policy Related Party Transactions provide guidelines for avoiding conflicts of interest and are applicable to all directors. In accordance with the policy, Senior Management and Board Members do not participate in any circumstance in which they may have a conflict of interest with the Company and they confirm such status to the Board annually.

The goal of the Policy on Related Party Transactions is to make sure that all transactions between the Company and related parties are properly reported, approved, and disclosed. The Director who is concerned or interested cannot discuss or approve contracts or arrangements with related parties.

PRINCIPLE 2 :

Businesses should provide goods and services in a manner that is sustainable and safe

DCM Shriram employs a variety of measures and balances to ensure sustainable management and sourcing of materials used. These include sourcing from local suppliers and farmers, recycling of plastic packaging and using recycled input materials.

The Company strives to ensure compliance with the relevant standards and regulations while also ensuring transparency in supply chain processes. The Company is cognizant of the environmental implications of overconsumption of raw material and hence the need to source in a sustainable manner. We are committed to using a greater percentage of recycled and sustainably sourced raw materials in our manufacturing processes leading us to better resource management, reduced environmental impact, and adoption of circular consumption practices.

Essential Indicators

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R&D	100%	100%	R&D of hybrid seeds that are resistant to adverse weather conditions, salinity, drought, water logging, insect pests and diseases.
Capex	9%	14%	Effluent Treatment Plants, Air Pollution Control Devices, Green belt Development, Rainwater Harvesting, Waste Management etc.

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)

Yes, DCM Shriram has procedures in place for sustainable sourcing.

- If yes, what percentage of inputs were sourced sustainably?

Sugar and Distillery business: Local farmers provided 100% of the sustainable sugarcane feedstock and for Chemicals business: By value, sustainably sourced inputs made up more than 65% from Tier-1 suppliers.

- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

(a) **Plastics** : DCM Shriram has registered as brand owners with CPCB under the EPR obligation as part of compliance of the Plastic Waste Management rules. The Company has engaged two Plastic Waste Reprocessing agencies authorized by CPCB for recycling of plastics wastes during FY'2022-23.

- (b) **e-waste** : Not applicable
(c) **Hazardous waste**: Not applicable
(d) **Other waste**: Not applicable

- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Yes, Plastic packaging introduced into the market is recycled through the CPCB (Central Pollution Control Board) authorized plastic waste re-processors. During the year, around 70% of the plastics packaging introduced into the market were recycled by the plastic waste re-processing agencies.

Leadership Indicators

- Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
2011	Sodium Hydroxide, Chlorine, Hydrogen, Sodium Hypochlorite, Hydrochloric Acid, Aluminium Chloride	Approx. 18%	Cradle to Gate	Yes	Yes, shall be included in the Sustainability Report FY22-23 as LCA was conducted during the FY22-23*

*<https://www.dcmshriram.com/sustainability-report>

Note : For other products the company is planning to conduct LCA in a phased manner in future.

- If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product/Service	Description of the risk / concern	Action Taken
Sodium Hydroxide, Chlorine, and Hydrogen	It was identified through the LCA study that the maximum environmental impacts are associated with the consumption of electricity (captive and grid electricity) as well as steam followed by the purchased primary raw materials (mainly, Sodium Chloride). Other than these, there is an insignificant contribution from other sources across the value chain of the products.	Selective initiatives to improve on the identified hotspots are considered and further being evaluated. As electricity and steam are major contributors, alternative sources of fuels (e.g., solid biomass) in place of fossil fuel, switching to renewable sources of electricity (e.g., solar photovoltaic energy, Wind energy etc.) would lead to a reduction in product environmental impacts. The Company is evaluating recommendations to explore use of highly pure Sodium chloride as a raw material, which will reduce the raw material consumption and brine sludge generation.

Name of Product/Service	Description of the risk / concern	Action Taken
Sodium Hypochlorite	It was identified through the LCA Study that, 98% of the overall impact is from the primary raw materials (Chlorine and Sodium Hydroxide) which are produced in-house. The impact from other sources is negligible.	The Company is continuously improving the upstream Chlor-Alkali process which will enhance the overall environmental performance of sodium hypochlorite.
Hydrochloric Acid	It was identified through the LCA study that 97% of the overall impact is from Chlorine and the rest is from hydrogen, water and electricity.	The Company is continuously improving the upstream Chlor-Alkali process which will enhance the overall environmental performance of Hydrochloric Acid.
Aluminium Chloride	It was identified through the LCA study that maximum environmental impact is associated with the procurement of primary raw material (Aluminium). The other primary raw material produced in the Chlor-Alkali process is chlorine which contributes significantly to the overall environmental impact.	The Company is exploring the recommendation to use recycled Aluminium for the manufacturing of Aluminium Chloride without compromising on the quality of the raw material.
Caustic Soda & Caustic Lye	Health & Safety Risk	The Company has adequate safety systems in place related to manufacturing process and safety data sheet (SDS) is provided to customers along with the product for more information on safe handling and response during emergency situations.
Urea	Health & Safety Risk	

3. Percentage of recycled or reused input material to total material (by value) used in production (For manufacturing industry) or providing services (for service industry).

We use only bio-degradable inputs in our sugar and distillery operations, which are composted at the end of the process.

Indicate input material	Recycled or re-used input material to total material	
	FY 2022-23	FY 2021-22
Lime sludge, Fly ash and bagasse	25%	25%

4. Of the products and packaging reclaimed at end of life of products, amount (in metric tons) reused, recycled, and safely disposed of.

Material	FY'2022-23			FY'2021-22		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	0	100%*	0	0	100%	0

Material	FY'2022-23			FY'2021-22		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
E-waste	N/A	N/A	N/A	N/A	N/A	N/A
Hazardous waste	N/A	N/A	N/A	N/A	N/A	N/A
Other waste	N/A	N/A	N/A	N/A	N/A	N/A

*Reclaimed quantity of plastic waste during 2022-23 was 2298 tonnes against 1002 tonnes during 2021-22.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Packing Material (Tote Bins for Aluminum Chloride)	4%
Chlorine and Hydrogen Cylinders	100%
PVC Resin using small bulkers	100%
Plastic Wastes (Packaging Material)	70%

PRINCIPLE 3 :

Businesses should respect and promote the well-being of all employees, including those in their value chains

As a people-centric organization, DCM Shriram is committed to the values of People Development, Teamwork and Relationships & Human Dignity. This is reflected in the day-to-day working, management practices, the workplace environment & ethos, leadership behavior, as well as in the warm, vibrant and open culture of the company.

DCM Shriram has adopted an approach geared towards designing and implementing programs, processes and policies that nurture a high level of employee engagement with the Organisation and with its business challenges. The Company ensures that employees are provided with opportunities needed to realize their maximum potential, allowing them to contribute to the fullest - thereby leading to the fulfillment of their professional and personal aspirations while making a wider impact.

Essential Indicators

1. a. Details of measures for the well-being of employees:

% of employees covered by											
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care benefits	
		No. (B)	%(B/A)	No. (C)	%(C/A)	No. (D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
Permanent employees											
Male	3797	2915	77%	3797	100%	NA	NA	0	0%	0	0%
Female	166	91	55%	166	100%	166	100%	0	0%	0	0%
Total	3963	3006	76%	3963	100%	166	100%	0	0%	0	0%
Other than Permanent employees											
Male	1394	830	60%	1394	100%	NA	NA	0	0%	0	0%
Female	496	1	0%	496	100%	496	100%	0	0%	0	0%
Total	1890	831	44%	1890	100%	496	100%	0	0%	0	0%

Note: All employees are given option to take insurance cover under the group medical cover of the Company.

b. Details of measures for the well-being of workers:

% of employees covered by											
Category	Health insurance			Accident insurance		Maternity benefits		Paternity benefits		Day Care benefits	
	Total (A)	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent workers											
Male	1505	1168	78%	1505	100%	0	0%	0	0%	0	0%
Female	0	0	0	0	0	0	0	0	0	0	0
Total	1505	1168	78%	1505	100%	0	0%	0	0%	0	0%
Other than Permanent workers											
Male	6831	5345	78%	6831	100%	0	0%	0	0%	0	0%
Female	116	102	88%	116	100%	0	0%	0	0%	0	0%
Total	6947	5447	78%	6947	100%	0	0%	0	0%	0	0%

2. Details of retirement benefits :

Benefits	FY'2022-23 Current Financial Year			FY'2021-22 Current Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	N.A.	100%	100%	N.A.
ESI	100%	100%	Yes	100%	100%	Yes
Others-Please specify						

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, in accordance with requirements, the necessary arrangements are made to promote accessibility for employees and workers with disabilities.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, DCM's Human Rights Policy contains guidelines for ensuring that employees with disabilities have equal opportunity.

<https://www.dcmshriram.com/sites/default/files/Human%20Rights%20Policy.pdf>

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Not Applicable*	Not Applicable*	Not Applicable*	Not Applicable*
Female	100%	100%	100%	100%
Total	100%	100%	100%	100%

* No male employee or worker availed any parental leave during FY'22-23

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Category	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Yes - Grievance Redressal Committee/Works/POSH Committee is formed in the Manufacturing Locations and we have multiple platforms where employee can raise their grievance like Open Houses & Leena AI (Online Tool).
Other than Permanent Workers	Yes - We have planned monthly supervisor meeting for the discussion on day to day grievance and awareness.
Permanent Employees	Yes - Grievance Redressal Committee/ Works Committee is formed in the Manufacturing Locations and We have multiple platforms where employee can raise their grievance like Monthly Sampark, Open Houses, Leena AI (Online Tool).
Other than Permanent Employees	Yes - Grievance Redressal Committee/Works Committee is formed in the Manufacturing Locations and We have multiple platforms where employee can raise their grievance like Monthly Sampark, Open Houses, Leena AI (Online Tool).

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Category	FY'2022-23			FY'2021-22		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association (s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Total Permanent Employees	3963	393	10%	3391	413	12%
- Male	3797	393	10%	3237	413	13%
- Female	166	0	0%	154	0	0%
Total Permanent Workers	1505	524	35%	1783	545	31%
- Male	1505	524	35%	1773	545	31%
- Female	0	0	0	10	0	0%

8. Details of training given to employees and workers:

Category	FY'2022-23				FY'2021-22					
	Total (A)	On Skill Upgradation		On Health & Safety Measures		Total (D)	On Skill Upgradation		On Health & Safety Measures	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	3797	3302	87%	3797	100%	3237	3237	100%	3237	100%
Female	166	109	66%	166	100%	154	154	100%	154	100%
Total	3963	3411	86%	3963	100%	3391	3391	100%	3391	100%
Workers										
Male	1505	1325	88%	1505	100%	1773	1773	100%	1773	100%
Female	0	0	0	0	0	10	10	100%	10	100%
Total	1505	1325	88%	1505	100%	1783	1783	100%	1783	100%

9. Details of performance and career development reviews of employees and worker:

Category	FY'2022-23			FY'2021-22		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	3797	3797	100%	3237	3237	100%
Female	166	166	100%	154	154	100%
Total	3963	3963	100%	3391	3391	100%
Workers						
Male	1505	1505	100%	1773	1773	100%
Female	0	0	0	10	10	100%
Total	1505	1505	100%	1783	1783	100%

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, DCM Shriram's Bharuch, Kota, Sugar & distillery units, Fenesta sites, and Shriram Farm Solution business all use an ISO 45001-certified occupational health and safety management system. At each of our locations, we have a well-established EHS function that effectively facilitates the implementation of all occupational health and safety policies and procedures. In addition, in order to steer site-level safety initiatives, each location has a Safety Committee that includes employees and senior management from the plant.

The Corporate EHS team at DCM reviews and monitors safety performance on a regular basis using specific leading and trailing indicators. To fulfill our commitment to ensuring the health and well-being of our employees, this informs our strategy and action plans for continuously strengthening safety systems.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Safety Audits

- Internal and external safety experts carry out safety audits at all

manufacturing and operations locations. For some sites, external auditors also conduct ISO 45001 audits.

- We conduct job safety analyses, general plant conditions assessments, and periodic safety inspections at the plant level to identify safety risks and hazards. Both routinely and irregularly, equipment health checks and process safety audits are also carried out.
- The British Safety Council conducts audits on a regular basis to look over safety procedures and find any loopholes or gaps.

Health and Safety Performance Review:

- The Corporate EHS group screens the wellbeing execution, everything being equal, on unambiguous driving and trailing results. Senior leadership teams conduct safety tours at all locations.
- There is a Safety Committee at each location with senior management and workforce members who meet on a regular basis to review and monitor the plant's safety performance.

Safety Incident Investigation:

- Each safety incident receives a thorough investigation and root cause analysis in order to implement corrective and preventative measures.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.(Y/N)

Yes, DCM has a safety incident reporting system that allows workers and employees to report accidents, near misses, and identified safety hazards (unsafe acts and unsafe conditions) to the EHS department, Toolbox Talks, and site-level safety committees.

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes, workers and employees at DCM Shriram have access to non-occupational medical and healthcare services. Employees receive free diagnostic camps, awareness programs, and regular medical examinations. Additionally, DCM Shriram allows employees to purchase health insurance.

11. Details of safety related incidents, in the following format :

Safety Incident/Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.11	0
	Workers*	0.26	0.12
Total recordable work-related injuries	Employees	1	0
	Workers	6	0
No. of fatalities	Employees	0	0
	Workers	5	2
High consequence work-related injury or ill-health (excluding fatalities)	Employees	1	0
	Workers	1	0

*During the year project activities were carried out at Bharuch and Ajbapur sites. 3 out of 5 fatalities were during the construction phase in the proposed project activities.

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

All our significant operations are affirmed to ISO 45001. Bharuch and Kota destinations are likewise guaranteed for Five Star English Wellbeing Board Security Framework. To guarantee our employees' health and safety, we strictly adhere to all policies and procedures. At each site, we have a well-established EHS function and committee that uses KPIs to effectively implement all policies and protocols. In order to enhance the safety culture, reputed external consultants are also utilized.

13. Number of Complaints on the following made by employees and workers:

	FY'2022-23			FY'2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	0	0	0	Nil
Health & Safety	0	0	0	0	0	Nil

14. Assessment for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Based on a time-bound action plan and regular implementation reviews, necessary corrective and preventive steps were taken to improve working conditions and health and safety practices. Refresher training programs and campaigns, enhanced engineering controls for achieving safety excellence, and a review of the safety procedures are all examples of corrective actions.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers(Y/N)

- (A) Employees: Yes
- (B) Workers: Yes

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

DCM Shriram conducts periodic due diligence to guarantee that partners in the value chain deduct and deposit required statutory fees. Additionally, this is examined as part of DCM's internal and statutory audits. In addition, we regularly interact with partners in the value chain to educate them about responsible business practices and guarantee their compliance with statutory requirements like these.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY'2022-23	FY'2021-22	FY' 2022-23	FY'2021-22
Employees	0	0	0	0
Workers	5*	2	0	0

*3 fatalities occurred during the construction activities carried out at Bharuch and Ajbapur sites for the proposed projects. The family of the deceased were supported on compassionate ground and financially compensated beyond the statutory obligations.

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?(Yes/No)

Yes

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	100%*
Working Conditions	100%

*The Company has further enhanced assessment system by inclusion of Health & Safety condition and Working Condition during vendor registration and also included in the General Terms & Conditions of all issued Purchase Orders

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Necessary corrective and preventive actions were taken to improve the health and safety practices and working conditions based on a time bound action plan accompanied with regular implementation review. Some examples of corrective action include review of the safety procedures for enhanced safety, refresher training programs/campaigns and enhanced engineering controls for achieving safety excellence.

PRINCIPLE 4 :

Businesses should respect the interests of and be responsive to all its stakeholders

At DCM Shriram, we are committed to creating long-term value for our stakeholders, while contributing to sustainable development on a larger scale. Our responsibility towards our stakeholders has been inbuilt in our business conduct and values since the founding of DCM Shriram. The Company is proactive in interacting and collaborating with various stakeholders. Such engagement has not only been integral in the development of a strong pipeline of innovative products across markets but will strengthen our resilience in adapting and addressing the ongoing climate crisis.

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

Enhancing stakeholder value is at the heart of our management strategy. By regularly engaging with our stakeholders to comprehend their distinct requirements, interests, and expectations, we foster close collaboration with them. We constantly reach out to our internal and external stakeholders through a variety of channels because we recognize that value is created not only within the organization but also through relationships with others. The outcomes of our ongoing dialogue process are incorporated into the management strategy of the organization to facilitate efficient decision-making throughout the year. Shareholders, farmers, consumers, employees, local communities, distributors, employees, the media, and the state and central governments are some of our most important stakeholders. We have a conventional course of partner commitment based upon transparency and accountability.

The areas of action have been prioritized by conducting a materiality assessment. During the materiality evaluation, intuitive channels for commitment were laid out with many partners, for example, senior administration, representatives, providers, local area, NGO Accomplices, and so on. In order to learn about their major concerns and how they rank these issues in order of relative importance..

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stake holder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key Topics and Concerns raised during such engagement
Employees	No	Intranet facilities, Internal newsletters, Communication meetings, Leadership site visits and interactions, Employee engagement survey, Induction and regular training programmes, Tool box talks, Regular drills on safety	Weekly/ Monthly	Vision and mission of the company, Business performance and plans, Welfare, Health and safety of the employees and their families, Assuring support of management to employees, Work place hazards and controls, Skill development, Rewards and recognitions
Government and Regulatory bodies	No	Regular inspections, Periodic Reports, Regular direct and indirect interactions through industrial associations and other bodies	Monthly/ Annually	Compliance of rules and regulations, Submission of reports under various statutes at specific intervals, Response to any issues raised by government/ regulatory authority, Tax revenues, Ease of doing business through sound corporate governance mechanisms
Shareholders & Investors	No	Annual General Meeting, Corporate Website, Annual Report, Social Media, Grievance Redressal Mechanism, Newspaper, Publications, Emails & Text Messages	Quarterly	Improved profitability and growth of organisation, Transparent and effective communication, Investor servicing, Sound corporate governance mechanisms
Customers	No	Regular personal Interactions and discussions, Market surveys, Customer surveys, Plant visits Customer	Monthly	Customer Satisfaction, Prompt response to customer complaints, Product/service quality and timely delivery, Building trust among the customers through plant visits
Suppliers, Dealers and Distributors	No	Annual Meet with suppliers and customers, Plant visits, Interactions on a regular basis	Monthly	Share best practices among industries, Competency development of local vendor, Rewards and recognitions

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key Topics and Concerns raised during such engagement
Farmers	Yes	Need based regular interaction by Cane & CSR function, Awareness camps on good agricultural practices	Weekly	Sustainable sugarcane production, Improved livelihood and income of farmers, Easy, affordable and reliable access to inputs such as quality seeds, fertilizers etc.
Local communities	Yes	Open dialogue with local communities, Need based surveys to understand community requirements, Awareness meets and Health camps, Celebration of cultural festivals/ occasion (Environment day, Safety day etc.), Public hearing for greenfield/expansion projects	Monthly	Health and hygiene in rural community, Education & infrastructure, Good agricultural practices, Water conservation and Waste management
Civil Society	No	Collaboration of various CSR projects	Monthly	Community developmental needs such as Healthcare, Education & Rural development etc.
Industry Associations	No	Meetings, Seminars, Workshops	Monthly	Networking, Industry collaborations, establishing best practices
Media	No	Advertisements/ promotions, Press	Monthly	Publishing reports, Releasing relevant reports regularly

Leadership Indicators

- 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

To identify and reevaluate its environmental and social topics, DCM Shriram conducts a comprehensive materiality assessment and stakeholder engagement exercise every two years. The Board has delegated the procedure to management. DCM Shriram consults with key internal and external stakeholders as part of the materiality assessment process to learn about their concerns and expectations and incorporate their perspectives into the materiality assessment for setting priorities for environmental and social issues. The materiality matrix and the final list of environmental and social topics for DCM Shriram are based on insights gathered through stakeholder

engagement. The EHS Function presents the assessment's findings to the BRSR Committee nominated by the Board for the purpose of defining ESG goals and initiatives.

- 2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

Yes, as part of the materiality assessment exercise, the company undertakes consultation with key stakeholders to help identify and prioritize environmental and social issues. Based on the stakeholder feedback received, the company has implemented various policy and process reforms. DCM developed a human rights policy to reinforce its commitment to upholding human rights along with strengthening its EHS policy. Based on stakeholder consultations, we have identified environmental issues associated with farming. The Company puts continuous efforts in raising awareness among farmers to utilize water efficiently using best agricultural practices, non-chemical pest control and promoting use of bio-compost. This helps in providing better returns to farming community with increased productivity and water conservation. In addition, it also enhances soil fertility and protects and preserves the environment from undue chemicals. Wastes generated during sugar processing like boiler ash and press mud cake are used as organic manure and distributed to the farmers.

- 3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable / marginalized stakeholder groups.**

We have been engaging with farmers, many of which belong to the vulnerable / marginalized stakeholder groups and face issues such as lower crop productivity and resulting lower income generation. These sugarcane growers are member of Cooperative Cane Union and a Union of the farmers. DCM regularly educates these farmers are on good farming practices to produce sugarcane by using less irrigation water through trash mulching, trench planting, press mud application, laser land leveling and in addition using bio-control measures for controlling pests and diseases in sugarcane crop. The Company has created many engagement platforms including e-Suvidha App, WhatsApp Groups, Teleconferencing, Suvidha Centre (Call Centre) connecting to more than 2.6 Lakh Farmers. These initiatives have reaped many benefits to farmers related to support in yield increase, tagging and booking of Agri-inputs, faster query redressal etc.

PRINCIPLE 5 : Businesses should respect and promote human rights

DCM Shriram is dedicated to protecting human rights across its operations and value chain. The Company recognizes the part that business can play in upholding the human rights of employees, communities and society at large. We have accordingly put in place a policy addressing human rights protection and action against any violations. This policy has been formulated in alignment with internationally recognized Human Rights frameworks. We also routinely assess, and track progress made in line with the stipulations of our Human Rights policy and course correct as needed.

Essential Indicators

- 1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY'2022-23			FY'2021-22		
	Total (A)	No. of employee /workers covered (B)	% (B/A)	Total (C)	No. of employee /workers covered (D)	% (D/C)
Employee						
Permanent	3963	3963	100%	3391	3391	100%
Other than permanent	1890	1890	100%	3314	3314	100%
Total Employees	5853	5853	100%	6705	6705	100%
Workers						
Permanent	1505	1505	100%	1783	1783	100%
Other than permanent	6947	6947	100%	6943	6943	100%
Total Workers	8452	8452	100%	8726	8726	100%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY2022-23				FY 2021-22					
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (A)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	3797	0	0%	3797	100%	3237	0	0%	3237	100%
Female	166	0	0%	166	100%	154	0	0%	154	100%
Other than Permanent										
Male	1394	631	45%	763	55%	3312	0	0%	3312	100%
Female	496	492	99%	4	1%	2	0	0%	2	100%
Workers										
Permanent										
Male	1505	393	26%	1112	74%	1773	690	39%	1083	61%
Female	0	0	0	0	0	10	0	0%	10	100%
Other than permanent										
Male	6831	3682	54%	3149	46%	6418	3353	52%	3065	48%
Female	116	116	100%	0	0%	525	522	99%	3	1%

3. Details of remuneration/salary/wages, in the following format:

Category	Male			Female		
	Number	Median remuneration/ salary/ wages of respective category (in INR Lakhs)		Number	Median remuneration/ salary/ wages of respective category (in INR Lakhs)	
Board of Directors (BoD)	10	125.20		2	49.38	

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (in INR Lakhs)	Number	Median remuneration/ salary/ wages of respective category (in INR Lakhs)
Key Managerial Personnel Employees	2*	134.23	0	0
other than BoD and KMP	3790	8.05	166	7.25
Workers	1505	3.68	0	0

* Remuneration of Chairman and Senior Managing Director (CEO) included in BoD.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?(Yes/No)

Yes, Weblink to our Human Rights Policy:

<https://www.dcmshriram.com/sites/default/files/i-Human%20Rights%20Policy.pdf>

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Through our Whistle Blower Policy, we have established a system for reporting and redressing all human rights violations. Any concerns pertaining to human rights can be reported by all employees, contractors, and suppliers as a result of this. All actual violations are dealt with seriously, and remediation measures can include terminating employees and business contracts, depending on the severity of the violation.

In addition, there is a Policy on the Prevention of Sexual Harassment (POSH) at DCM Shriram, and any incidents of this kind can be reported to the Internal Committee (IC) for POSH in accordance with the procedure that is outlined in the policy. Each reported allegation is treated confidentially and with seriousness. Open House Discussions and City centers, balanced/ Group HR interfaces are coordinated every once in a while. Additionally, monthly meetings with representatives of unions are held.

Weblink to our whistle blower/vigil mechanism policy:

<https://www.dcmshriram.com/sites/default/files/Vigil%20Mechanism%20Policy.pdf>

6. Number of Complaints on the following made by employees and workers:

Complaints	FY'2022-23			FY'2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	2	0	The cases have been closed by the Company's Internal Complaints Committee (ICC) constituted for the investigations and redressal of sexual harassment complaints.	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labor	0	0	-	0	0	-
Forced Labor /Involuntary Labor	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

DCM Shriram guarantees, in accordance with the Whistle Blower Policy and Procedure, that employees and business associates are completely protected from retaliation, punishment, intimidation, coercive action, dismissal, or victimization for reporting genuine concerns, even if they are not proven. Punitive action will be taken on anyone who tries to victimize anyone who complains, cooperates with an investigation or complaint, or provides information or data related to it.

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes

9. Assessments for the year:

Complaints	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	100%
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%
Others-please specify	-

10. Provide details of any corrective actions taken or under way to address significant risks/ concerns arising from the assessments at Question 9 above.

No significant deviations were observed in relation to aspects described in Question 9 above.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances /complaints.

Not applicable as there is no complaint / grievances related to human rights during the reporting year.

2. Details of the scope and coverage of any Human rights due-diligence conducted.

In order to identify potential risks, we have a human rights due diligence process which is conducted annually through DCM Shriram's internal audit process for monitoring company-wide compliance. This entails undertaking a detailed monitoring at 100% of our sites including all business functions, to track performance on various human rights related subjects such as working conditions, minimum compensation, equal opportunity, freedom of association etc. including labour laws of the country. Any identified risks are dealt with corrective actions and closely monitored for progress at periodic frequencies.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, in accordance with requirements, the necessary arrangements are made to promote accessibility for employees and workers with disabilities

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	100%
Discrimination at workplace	100%
Child Labour	100%
Forced / Involuntary Labour	100%
Wages	100%
Others -please specify	-

Note : For Tier 1 value chain partners

5. Provide details of any corrective actions taken or underway to address significant risks/ concerns arising from the assessments at Question 4 above.

No significant deviations were observed in relation to aspects described in Question 4 above.

PRINCIPLE 6 : Businesses should respect and make efforts to protect and restore the environment

At DCM Shriram, we consider the protection and restoration of ecosystems as its primary responsibility. We have thereby made efforts to integrate environmental aspects in all our operations and across the value chain. We are a signatory of the India Business & Biodiversity Initiative since 2014 and have committed to biodiversity conservation and sustainable use of biological resources.

DCM Shriram aligns its business activities to ensure environmental protection, energy efficiency and conservation, water efficiency and conservation, emission reduction and safety.

Essential Indicators
1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	Unit	FY'2022-23	FY'2021-22
Total electricity consumption (A)	Terrajoules	3,406	2,009
Total fuel consumption (B) (Self generation)	Terrajoules	38,424	43,457
Energy consumption through other sources (C)	Terrajoules	7.34	0.34
Total energy consumption (A+B+C)	Terrajoules	41,837	45,466
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	TJ/Rupees	0.04 TJ/Lakh INR	0.05 TJ/Lakh INR
Energy intensity (optional) - the relevant metric may be selected by the entity	GJ/Tons of Production	14.19 GJ/t	16.13 GJ/t

Note : Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, KPMG Assurance and Consulting Services LLP

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

S. No / Facility identified as Designated Consumers (DC)	If yes, provide details of Target achieved during FY'2022-23	If no, provide details of remedial action taken	Remarks
Fertilizer (Urea), Kota	No target set under PAT scheme for FY 2022-23	PAT scheme target year 2024-25	During FY 2018-19: 0.4567 MTOE / MT was achieved against target of 0.4433 MTOE / MT for which 5328 EScerts surrendered from our banked EScerts

S. No / Facility identified as Designated Consumers (DC)	If yes, provide details of Target achieved during FY'2022-23	If no, provide details of remedial action taken	Remarks
Chlor Alkali, Kota			Under PAT scheme, target of specific energy consumption @ 0.7061 MTOE / MT for 2024-25
Chlor Alkali, Bharuch	No target set under PAT scheme for FY 2022-23	PAT scheme target year 2024-25	Under PAT scheme, target of specific energy consumption @ 0.7684 MTOE / MT for 2024-25
Cement, Kota			During FY 2018-19: 0.1091 MTOE / MT was achieved against target of 0.1114 MTOE / MT. Under PAT scheme, target of specific energy consumption @ 0.1075 MTOE / MT for 2024-25

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY'2022-23	FY'2021-22
Water withdrawal by source (in kiloliters)		
(i) Surface water		
(ii) Groundwater	19,09,394	17,76,383
(iii) Third party water	1,08,52,600	1,24,22,196
(iv) Seawater / desalinated water	0	0
(v) Others	0	0
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	1,27,61,994	1,41,98,579
Total volume of water consumption (in kiloliters)	1,27,61,994	1,41,98,579
Water intensity per rupee of turnover (Water consumed /turnover)	10.86 KL/ Lakh INR	14.42 KL/ Lakh INR
Water intensity (optional) - the relevant metric may be selected by the entity	4.34 KL/ t Prod	5.04 KL/ t Prod

Note : Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, KPMG Assurance and Consulting Services LLP

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

Yes, two of the distillery units of DCM Shriram are Zero Liquid Discharge units. In addition, the effluent from the sugar units are treated in state-of-the-art ETP and treated water is utilized for irrigation purposes without discharging outside the plant premises. The sewage generated at various manufacturing sites is also treated in STP and utilized for horticulture inside the plant premises without discharging into any water bodies.

5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format :

Parameter	Please specify unit	FY'2022-23	FY'2021-22
NOx	Metric tonnes	1,642	1,963
SOx	Metric tonnes	1,527	1,703
Particulate Matter (PM)	Metric tonnes	1,481	2,109
Persistent Organic Pollutants (POP)	NA	NA	NA
Volatile organic Compounds (VOC)	NA	NA	NA
Hazardous air pollutants (HAP)	NA	NA	NA
Others- please specify	NA	NA	NA

Note : Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, KPMG Assurance and Consulting Services LLP

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	20,75,150	26,28,860
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	7,47,487	4,40,811
Total Scope 1 and Scope 2 emissions per rupee of turnover	tCO ₂ e/ Revenue in Lakh INR	2.40	3.12
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity	tCO ₂ e/ Ton Production	0.96	1.09

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, KPMG Assurance and Consulting Services LLP

7. Does the entity have any project related to reducing Greenhouse Gas emissions? If yes, then provide details.

The below initiatives has resulted in cumulative reduction of 26,28,600 tCO₂e emissions

- Use of Biomass in the energy mix at Bharuch and Kota
- Use of Bagasse and Slop for generating power in Sugar and Distillery units
- Wind and Solar power at Kota and Bharuch
- Use of Low Grade Heat – Vapour Absorption Machine (VAM) in Fertilizer Plant at Kota
- Increase sludge consumption through carbonation at Kota
- Installed Planetary Drive at Pug mill, Magma mixer & Crystallizers at Rupapur and Ajbapur
- Operational optimization of Lime Station after stopping some equipment and mud pump pumping station at Hariawan
- Installed VFDs on hot maceration pumps at texmaco mill at Ajbapur
- Replacement of conventional starters with VFDs for three pan circulators motor for pan automation at Loni
- Replacement of conventional light fitting with LED

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste (A)	1,118	1,462
E-waste (B)	5.45	6.14
Bio-medical waste (C)	0.07	0.058
Construction and demolition waste (D)	NA	NA
Battery Waste (E)	3.91	5.23
Radioactive waste (F)	NA	NA
Other Hazardous waste. Please specify, if any. (G)	476	390
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	4,33,338	5,23,271

Parameter	FY 2022-23	FY 2021-22
Total (A+B+C+D+E+F+G+H)	4,34,941	5,25,134
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste	FY 2022-23	FY 2021-22
(I) Recycled	4,02,907	5,06,761
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	4,02,907	5,06,761
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0
(ii) Landfilling	32,034	18,373
(iii) Other disposal operations	0	0
Total	32,034*	18,373

*It includes accumulated brine sludge (13,647 Tonnes) that was also disposed during the year.

Note : Indicate If any independent assessment /evaluation /assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, KPMG Assurance and Consulting Services LLP

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

In order to promote resource efficiency and waste management, we have adopted practices around circularity such as

- resource use optimization,
- recycling,
- upcycling or re manufacturing, and,
- reuse

In order to control our impact on the environment, DCM Shriram employs the three R's: Reduce, Reuse, and Recycle. All non-reusable waste are discarded through approved recyclers endorsed by the State Pollution Control Board.

Utilizing fly ash from a Thermal Power Plant and waste lime sludge from Calcium Carbide, the company produces cement. In sugar plants, entire press mud and ash are mixed for distribution to farmers as manure. During the financial year, molasses based distillery units at two of its Sugar sites is operated utilizing the molasses waste generated from sugar mill for producing Ethanol. In distillery unit, slop is mixed with bagasse which is used in boiler as a fuel. Its Ash is rich in Potash and readily usable as manure. Entire treated water from ETP in Sugar mills is utilized for irrigation and treated water from Distillery units at Hariawan and Ajbapur are 100 % recycled in the distillery process thereby reducing net intake of fresh water.

With approval from GPCB, the diluted sulfuric acid (78-80%) that is produced at the caustic soda process plant is used in nearby industries to recycle it completely. In the processes for handling intermediate products, plastic drums generated from various process plants used raw materials are repurposed. In distillery units, plastic drums are sent back to the raw material supplier for reusing the same thereby saving resource. During the year, 1354 nos. drums were reused.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, bio diversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations /offices	Type of operations	Whether the conditions of environmental approval clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
			None of the DCM Shriram offices / plants are located around ecologically sensitive areas

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year :

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Nil					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

Yes, the Company is in compliance with the applicable environmental laws/ regulations/ guidelines

S. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines/ penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
				Not applicable

Leadership Indicators

1. Provide break-up of the total energy consumed (in Joules or multiples) from renewable and non-renewable sources, in the following format:

Parameter	FY'2022-23	FY'2021-22
From renewable sources		
Total electricity consumption (A)	7.34 TJ	0.34 TJ
Total fuel consumption (B)	16,119 TJ	15,508 TJ
Energy consumption through other sources ©	0	0
Total energy consumed from renewable sources (A+B+C)	16,127 TJ	15,508 TJ
From non-renewable sources		
Total electricity consumption (D)	3,406 TJ	2,009 TJ
Total fuel consumption (E)	22,230 TJ	27,949 TJ
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	25,636 TJ	29,958 TJ

Note : Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, KPMG Assurance and Consulting Services LLP

2. Provide the following details related to water discharged:

Parameter	FY'2022-23	FY'2021-22
Water discharge by destination and level of treatment (in kilolitres)-		
(i) To Surface water		
- No treatment	0	0
- With treatment - please specify level of treatment	14,16,054 (primary treatment)	18,68,207 (primary treatment)
(ii) To Groundwater		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(iii) To Seawater		
- No treatment	0	0
- With treatment - please specify level of treatment	0	0
(iv) Sent to third-parties		
- No treatment	0	0
- With treatment - please specify level of treatment	3,12,898 (primary treatment)	2,86,638 (primary treatment)
(v) Others		
- No treatment		
- With treatment - please specify level of treatment	0	0
	0	0
Total water discharged (in kilolitres)	17,28,952	21,54,845

Note : Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

Yes, KPMG Assurance and Consulting Services LLP

3. Water withdrawal, consumption and discharge in areas of water stress (in kiloliters):

For each facility / plant located in areas of water stress, provide the following information:

- Name of the area : NA
- Nature of operations : NA
- Water withdrawal, consumption and discharge in the following format:

Parameter	FY'2022-23	FY'2021-22
Water withdrawal by source (in kiloliters)		
(i) Surface water		NA
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		NA
(v) Others (Recycled) Recovered water from Treated Effluent		
Total volume of water withdrawal (in kiloliters)		
Total volume of water consumption (in kiloliters)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) - the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kiloliters)		
(i) Into Surface water		
- No treatment		NA
- With treatment - please specify level of treatment		
(ii) Into Ground water		
- No treatment		NA
- With treatment - please specify level of treatment		
(iii) Into Seawater		
- No treatment		NA
- With treatment - please specify level of treatment		
(iv) Sent to third parties		
- No treatment		NA
- With treatment - please specify level of treatment		
(v) Others		
- No treatment		NA
- With treatment - please specify level of treatment		
Total water discharged (in kiloliters)		

Note : Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Not Applicable.

4. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 3 emissions (Break -up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	2,35,612 tCO ₂ *	Not Applicable, as the company started reporting Scope 3 from FY23 onwards.
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO ₂ equivalent	0.2 x 10 ⁻⁵	Not Applicable
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity	Metric tonnes of CO ₂ equivalent per ton of product	0.29	Not Applicable

* As per cradle to gate methodology using Gabi software following ISO 14040 / 14044 for the Products manufactured at Bharuch site.

Note : Indicate if any independent assessment / evaluation / assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. Yes, Sphera.

5. With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and rededication activities.

Not Applicable, as DCM Shriram does not have any operations in ecologically sensitive areas.

6. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Use of Low Grade Heat – VAM, Fertilizer Plant	Use of Chilled Water for cooling CO ₂ and Synthesis Gas Compressor Suction. (First of its kind in Indian Fertilizer Industry)	1603 tCO ₂ e saved per year
2.	Increase sludge consumption through carbonation	In the Process of Acetylene production from Calcium Carbide at Kota, Calcium Hydroxide sludge is generated which contains 8-10% solids and rest 90-92% is the water. The CO ₂ gas present in flue gases of the Cement Kiln when passed through the sludge converts Calcium Hydroxide to Calcium Carbonate. Due to increased sludge usage, there is saving in power in limestone crushing and its handling	Reduction of CO ₂ discharged to environment approx 21000 tCO ₂ e / year due to usage of high grade limestone
3.	Recycling of waste material from uPVC fabrication workshops	Cut pieces and profile wastes from various uPVC fabrication workshops are collected and recycled to save use of virgin raw material for making windows and doors profiles at Kota.	Around 4-5% savings of the virgin raw material
4.	Energy efficiency project in Texmaco boiler to use waste heat from flue gas	By introduction of additional economizer coils and secondary air preheater, improving steam temperature to rated 420 deg C at 80% load by utilizing flue gas energy reducing its temperature from 175 Deg to 145 Deg C at Ajbapur sugar mill.	Waste heat of flue gas utilized for heating steam thereby saving direct energy
5.	Electro static precipitator in place of wet scrubber	In Texmaco boiler, installation of Electro Static Precipitator (ESP) in place of wet scrubber to reduce particulate matter from boiler stack at Ajbapur.	Reduced Particulate Matter (PM) emission from the boiler stack.

7. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ weblink.

Yes. As part of our business continuity plan, we have a plan in place for an emergency response in the event of any unforeseen circumstances. Everyone involved receives regular instruction on how to use tools like fire extinguishers and First Aid. In order to prepare for an efficient response in the event of an emergency, regular mock drills are also conducted on a variety of emergency scenarios. All of these risks are the subject of risk mapping based on their likelihood and impact. Regular audits and mock drills are conducted to assess the health of the emergency response plan and strengthen the system.

A plan for emergency preparedness includes:

- Key risks and hazards;
- Analysis of likelihood of occurrence and impact;
- Implementation of a mitigation strategy with delegated responsibilities;
- Publication of the plan to all relevant stakeholders

8. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?

Agriculture contributes to adverse environmental impacts such as, excessive water consumption, water pollution due to pesticide run-off, soil degradation, etc. DCM Shriram is undertaking multiple initiatives by engaging farmers to promote sustainable agricultural practices. For instance, treated water from our sugar sites is provided to farmers for irrigation, reducing the amount of fresh ground water withdrawn. DCM Shriram is also providing press mud, sludge and bagasse ash from sugar mills to farmers for soil amelioration in order to reduce the usage of chemical fertilizers.

In addition to above, as part of our Water Conservation initiative, desilting at Panai Jhabar (wetland) in Uttar Pradesh helped in creating surface water holding capacity, recharging ground water aquifers, sustaining aquatic flora and fauna indigenous to the area, including the elegant Sarus Crane thereby improving biodiversity and ecosystem. Furthermore, during the year 3 rain water harvesting ponds and 7 rain water structures have been constructed and 4 ponds were renovated and desilted resulting in additional water recharge capacity.

In order to reduce impact of emission arising out of transportation, finished products such as Chlorine, Caustic lye and Hydrogen at our Bharuch site are transported through pipelines in place of trucks/tankers saving use of fossil fuels in transportation. Furthermore, at our Kota site, raw materials and finished products are transported in racks saving fossil fuel to reduce GHG emission.

Initiatives are undertaken for waste minimization, reuse and recycling to mitigate its impact on the environment. Lime sludge, fly ash and bagasse are recycled for utilization in manufacturing cement and generating power. Also majority of the wastes generated from the processes are recycled on-site and off-site for its effective utilization with an objective of reducing waste for disposal to landfill. Plastic wastes introduced into the market through the finished products such as Cement, Urea, Sugar and PVC in the form of plastic bags are also recycled through the authorized plastic re-processors in line with our EPR obligation.

9. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

100%

PRINCIPLE 7: Businesses, when engaging in influencing public

and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

20

b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and Industry chambers/ associations (State/National)
1	Federation of Seed Industry of India (FSII)	National
2	Confederation of Indian Industry (CII)	National
3	Federation of Indian Chamber of Commerce and Industries (FICCI)	National
4	Fertilizer Association of India (FAI)	National
5	Cement Manufacturing Associations (CMA)	National
6	Indian Sugar Mills Association (ISMA)	National
7	Alkali Manufacturers Association of India (AMAI)	National
8	All India Distillers' Association (AIDA)	National
9	Crop Care Federation of India (CCFI)	National
10	UPVC Window and Door Manufacturers Association (UWDMA)	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
Not applicable	Not applicable	Not applicable

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in public domain? (Yes/No)	Frequency of review by Board (Annually/ Half yearly/ Quarterly / Others - please specify)	Web Link, if available
	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development

DCM Shriram recognizes that the achievement of national and global sustainable development goals is contingent on achieving growth that is inclusive and equitable across all sections of society. At the core of the Company's vision is the objective of empowering local communities and creating opportunities for the socioeconomic development of the country. Our community development programmes reflect our commitment to this objective and are aligned with broader development agendas. One of our focus areas thus far has been the promotion of healthcare and sanitation initiatives targeted at improving the quality of life of local communities. All our community development initiatives are driven by the DCM Shriram CSR policy.

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year:

Essential Indicators

Name and brief details of project	SIA notification No.	Date of Notification	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In INR)
Not applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

As part of the program design regular feedback are taken and grievances of the community are addressed. Additionally, impact assessments for 2 programs (Khushali Shiksha – an education initiative; Jeetega Kisaan – a livelihood initiative) were conducted during the year.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY'2022-23	FY'2021-22
Directly sourced from MSMEs/ small producers	20%	18%
Sourced directly from within the district and neighboring districts*	68.1%**	92%*(64.6%**)

*For Sugar & Distillery Business in Uttar Pradesh as reported in BRSR FY 2021-22.

** For all our manufacturing sites across India in the States of Uttar Pradesh, Gujarat, Rajasthan, Tamilnadu and Telangana State.

Leadership Indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
Not applicable	Not applicable

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
1	Uttar Pradesh - Agri Skilling project	Sonbhadra	25,00,000

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized / vulnerable groups?(Yes/No)

Yes

(b) From which marginalized /vulnerable groups do you procure?

We source sugarcane for our Sugar and Distillery business from more than 70% of the small land-owning local farmers.

(c) What percentage of total procurement (by value) does it constitute?

>80% (For Sugar and Distillery Business)

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not applicable*				

* DCM Shriram has not acquired any intellectual property based on traditional knowledge.

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes where in usage of traditional knowledge is involved.

Name of authority	Brief of the case	Corrective action taken
Not applicable		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects	% Of beneficiaries from vulnerable and marginalized groups
1.	Preventive Healthcare Initiative - Khushali Sehat: Pregnant Women covered	19,608	100%

S. No.	CSR Project	No. of persons benefited from CSR Projects	% Of beneficiaries from vulnerable and marginalized groups
2.	Preventive Healthcare Initiative - Khushali Sehat: Lactating Mothers Covered	19,333	100%
3.	Preventive Healthcare Initiative - Khushali Sehat: Adolescent Girls Covered	26,881	100%
4.	Preventive Healthcare Initiative - Khushali Sehat: Population coverage for awareness/health camps	29,430	100%
5.	Sanitation Initiative - Khushali Swachhata: Handwash Training to children	17,777	100%
6.	Sanitation Initiative - Khushali Swachhata (Solid Waste Management Unit): number of household where segregation of waste was conducted	1,317	100%
7.	Education Initiative - Khushali Shiksha: Number of students benefitted	3,784	100%
8.	Livelihood Initiative - Khushali Rozgar: Number of girls trained in tailoring	210 women through Silai School, 55 women through Project Zardozi	100%
9.	Livelihood Initiative - Khushali Rozgar: Number of farmers benefitted	2,942	100%
10.	Livelihood Initiative - Khushali Rozgar: Number of students trained in Mobile and Laptop Repair	120	100%
11.	Livelihood Initiative - Khushali Rozgar: Number of students trained in DCS operation	15	100%
12.	Livelihood Initiative - Khushali Rozgar: Number of Cattle Owners benefitted through various cattle development initiatives	5,875	100%
13.	Rural Development Initiative - Infrastructure Development - Roads, Street lights, etc.	Approx 10,000	100%

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in a responsible manner

Customer Centricity and providing an exceptional customer experience is at the core of the Company's values and business strategy. Accordingly, special emphasis is placed on engaging with customers and working towards building long-lasting and mutually value-adding relationships. At DCM Shriram, we strive to support our customers' sustainability journey by offering innovative, effective and efficient solutions. We recognize our customers as one of our most important stakeholders; and hence have developed an approach to achieve absolute customer satisfaction.

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

DCM Shriram gives products roads to clients to raise questions or grievances and give criticism. In the Sugar, SFS, Bioseed, and Fenesta businesses, we have established a dedicated customer care service to receive and respond to telephonic customer complaints and grievances. Customers can also voice their concerns via a specific email address or phone number listed on each business's website..

2. Turnover of products and / services as percentage of turnover from all products / service that carry in formation about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following:

	FY'2022-23		Remarks	FY'2021-22		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber -security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	3873	93	*Product Quality / Weight related issues including repair and maintenance complaints for all the businesses	33	0	Quality weight, shortage related complaints for chemical business. However repair and maintenance complaints were excluded

*Includes repair and maintenance related grievances. Considering normal turnaround time required for resolution of consumer complaints, during the year, 98% of the complaints have been resolved in best practical way to the satisfaction of customers and remaining are being resolved on an ongoing basis.

4. Details of instances of product recalls on account of safety issues:

	Number	Reason for recall
Voluntary recalls	0	Not applicable
Forced recalls	0	Not applicable

5. Does the entity have a framework/policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. The organization has established a framework to address cybersecurity, network safety, risks related to information security, and has a data privacy policy. To view the policy, visit the company's website at <https://www.dcmshriram.com/privacy-policy>

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products /services.

No such case has been reported.

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Details of all our products and services are provided on our website: <https://www.dcmshriram.com/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

The product label displays additional information relevant for consumers to help them consume a higher valued product and appropriate usage. Information related to safe handling, direction of

usage of products and specific certifications obtained by the company are also mentioned. All of these information is mentioned according to laws. For instance, our product calcium carbide's information label clearly mentions information on its non-usage of carbide for fruit ripening. To ensure safe transportation and educating consumers about safe and responsible usage of the products, MSDS is also supplied. Direction for Use (DFUs) are given with all the crop protection products.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

Yes, customers are informed in advance of any disruptions to product or service delivery via email, phone, or in-person visit.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief.

No.

5. Did your entity carry out any survey about consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

Yes, the company engages with regular customers through formal and informal channels such as surveys, direct feedback from sales teams and plant personnel, one-on-one meetings, during dealer meet, and other similar events. To fine-tune operational strategies, customer and channel satisfaction surveys are frequently conducted. Apart from above, using internal summer interns, customer surveys also conducted as a part of their project.

6. Provide the following information relating to data breaches:

a. Number of instances of data breaches along-with impact.

There has been no instance of data breach.

b. Percentage of data breaches involving personally identifiable information of consumers:

There has been no instance of data breach involving personally identifiable information of customers

Board's Report

The Directors have pleasure in presenting the 34th Annual Report of the Company along with Audited Financial Statements, both standalone and consolidated, for the financial year ended 31st March, 2023.

Financial Highlights

The results for the financial year ended 31.03.2023 and 31.03.2022 are as under:

(Rs. in Crores)

Particulars	Standalone		Consolidated	
	31.3.2023	31.3.2022	31.3.2023	31.3.2022
Revenue from operations	11,811.51	9,676.55	12,079.51	9,849.41
Profit before finance cost, depreciation and tax	1,763.11	1,859.16	1,726.10	1,888.30
Profit before tax	1,454.49	1,539.56	1,413.13	1,564.98
Profit after tax	961.49	1,048.75	910.84	1,066.13
Share of profit/(loss) of joint venture	-	-	-	1.22
Non-controlling interest	-	-	-	-
Other comprehensive income (after tax)	12.59	(8.41)	12.75	(10.20)
Total comprehensive income (after tax)	974.08	1,040.34	923.59	1,057.15
Basic/Diluted - EPS (Rs. per equity share)	61.66	67.25	58.41	68.45
Other equity	6,237.18	5,494.74	6,162.40	5,470.45

State of Company's Affairs/Performance

During the financial year 2022-23, the Company witnessed an overall strong operating and financial performance, despite the challenges arising from high energy prices, inflationary pressures and supply chain disruptions. Russia-Ukraine conflict added to uncertainties.

The Chlor-Alkali Business performed better supported by higher realizations despite high energy costs. Vinyl business reported a decline in earnings driven by higher energy prices and sharp reduction in PVC and Calcium Carbide prices from their historic highs last year. Shriram Farm Solutions & Fenesta Building Systems witnessed significant growth led by higher volumes and margins. Sugar business earnings were lower since the increase in sugarcane prices last season were not fully compensated by increase in sugar prices.

The Company's total revenues from operation at a standalone level stood at Rs.11,812 Crores in financial year 2022-23 vs. Rs.9,677 Crores last year. Chloro-vinyl business registered a growth in revenue of about 9% driven by higher realizations and higher volumes for Chlor-alkali business partially mitigated by lower vinyl realization. Revenue for sugar business increased by 21% due to higher domestic and export sales and higher realization. Shriram Farm Solutions business registered a 9% growth in revenue, Fenesta business registered a growth of 32% led by Volumes and prices, Fertilizer business revenue witnessed a growth of ~50% led by higher gas prices which is a pass through, and revenue for Bioseed business also grew by 19% led by volumes.

Profit before depreciation, interest and tax was at Rs.1,763 Crores, down ~5% over last year. The same was down ~9% on a consolidated basis. The decline was driven by ~84% decrease in PBDIT of Vinyl due to primarily by realizations which came off their all-time highs, although the costs continued to remain firm led by energy and carbon costs. Chlor Alkali

business' PBDIT recorded an increase of ~15% being driven mainly by a substantial improvement in margins due to higher average realizations that outpaced the increase in input rates especially the energy prices and salt. Sugar business recorded a decline of 20% in PBDIT in current year, higher cost of production due to increase in sugarcane cost in the last season that was not fully compensated by increase in sugar prices. Volumes & realization were better than last year. Agri-input business of Shriram Farm Solutions recorded ~37% growth in PBDIT led by better realization. Fenesta business also recorded ~70% growth in PBDIT, led by higher volumes and better margins. Fertilizer business recorded ~62% growth in PBDIT led by upward revision of energy norms and better gas prices. Bioseed PBDIT also improved significantly. Cement businesses registered de-growth in PBDIT.

Overall PBDIT margins declined to ~15% from ~19% last year.

Net Profit on standalone basis for financial year 2022-23 was lower by 8% to Rs.961 Crores from Rs.1,049 Crores in the financial year 2021-22. It was down by ~15% on a consolidated basis. Net Debt as on 31st March, 2023 stood at Rs.681 Crores vis-à-vis Rs.4 Crores as on 31st March, 2023. Net Debt to equity stood at 0.12x as on 31st March, 2023 vs 0.01x as on 31st March, 2022.

The Company commissioned following projects in the financial year 2022-23 at an investment of ~ Rs.591 Crores:

- 120 KLD multi-feed distillery with 260 KLD grain attachment at Ajbapur
- 3000 TCD expansion at Ajbapur complex with full capacity conversion to refined Sugar (13,500 TCD)
- 8000 TCD capacity conversion to refinery at Hariawan Sugar unit
- Expansion of Anhydrous Aluminum Chloride capacity by 32,850 TPA

The following projects are under implementation at our Bharuch Chemicals complex:

- The 850 TPD caustic soda plant along with 600 TPD flaker expected to be commissioned by Q2 FY'24
- Hydrogen Peroxide facility with a capacity of 56,100 TPA is progressing as per schedule, expected to be completed by Q2 FY'24
- Epichlorohydrine (ECH) facility with a capacity of 52,000 TPA along with Glycerin purification facility is progressing as per schedule, expected to be completed by Q3 FY'24
- 120 MW coal based new power plant is underway and is expected to be commissioned in Q1/Q2 FY'24
- 50 MW Renewable (Solar+wind) power via SPV route (group captive) is underway and is expected to be commissioned by Q1 /Q2'FY24
- Hydrogen Compressors with total capacity of 0.8 Lakh NM3 per day, implementation progressing as per schedule to be completed by Q1'FY 24
- Anhydrous Sodium Sulphate System (AnSS) is progressing as per schedule, to be completed by Q1 FY'24

The following Projects in other business in the financial year 2022-23 are progressing as per schedule:

- **Sugar:** Manufacture of Sulphate of Potash (in a 100% subsidiary) with a capacity of 4600 TPA is progressing as per schedule, expected to be completed by Q1 FY'24
- **Fenesta Building Systems:** Extrusion plant expansion at Kota is progressing as per schedule, expected to be completed by Q2 FY'24 and Façade fabrication plant will get commissioned by Q3 FY'24
- **SFS:** Manufacturing of Water Soluble Fertilizer and Bio products (in a 100% subsidiary) is progressing as per schedule, expected to be completed by Q3 FY'24

Dividend

Your Directors are pleased to recommend a final dividend @ 180% i.e. Rs.3.60 per equity share of Rs.2 each for the year ended 31st March 2023, which, if declared by the Members, the total dividend for the financial year 2022-23 will aggregate to 700% i.e. Rs. 14 per equity share of Rs.2 each (including 1st Interim Dividend @ 230% i.e. Rs.4.60 per equity share and 2nd Interim Dividend @ 290% i.e. Rs.5.80 per equity share declared in October 2022 and January 2023, respectively).

The Dividend Distribution Policy of the Company as approved by the Board is available on the Company's website at the following web link:

<https://www.dcmshriram.com/sites/default/files/Dividend%20Distribution%20Policy%20-%20Final%20-%20Website.pdf>

Transfer to Reserve

During the financial year 2022-23, the Company transferred a total of Rs.17.50 Crores to Reserves, namely, Rs.12.30 Crores to Cash Flow Hedging Reserve, Rs.5.01 Crores to General Reserve and Rs.0.19 Crores to Storage Fund for Molasses.

Number of Meetings of the Board

The Board met 6 times during the financial year 2022-23 on 5th May 2022, 17th May 2022, 19th July 2022, 18th August 2022, 19th October 2022 and 20th January 2023.

Report on Performance and Financial Position of Subsidiaries, Associate and JV Company

The details regarding the performance and financial position of the Company's Subsidiaries and Associate, etc. are appearing in Form AOC-1 given at Annexure-1 of this Board's Report.

Key updates on subsidiaries/associate of the Company

During the year under review:

- The Company has subscribed and invested in the shares of DCM Shriram Bio Enchem Limited, DCM Shriram Prochem Limited, DCM Shriram Ventures Limited and Shriram Agsmart Limited (formerly known as DCM Shriram Agsmart Limited) consequent to which these companies have become the wholly owned subsidiaries of the Company.

- ReNew Green (GJ Ten) Private Limited has become Associate of the Company, as the Company has invested in its Equity Shares representing 31.20% of its paid-up share capital.

The contribution of subsidiaries and associates to the overall performance of the Company is outlined in Note No. 57 of the Consolidated Financial Statements.

Risk Management Framework

The Company has in place an effective Risk Management Framework. The Company has also formulated a Risk Management Policy and further updated the Risk Management Framework during the financial year 2021-22 to align the same with the amendments in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations 2015") on Risk Management and also to make it more contemporary and suitable to the requirements of changing business scenarios. These were approved by the Board on October 19, 2021. The said framework includes identification, assessment, response and monitoring system for mitigation of various risks.

Company's Policy on Directors' Appointment and Remuneration

The criteria for Directors' appointment has been set up by the Nomination, Remuneration and Compensation Committee (NRCC), which, inter-alia, includes criteria for determining qualifications, positive attributes, independence of a Director, basis/criteria of remuneration to Directors/KMPs and other matters provided under Section 178 of the Companies Act, 2013 (the 'Act') and the SEBI Listing Regulations 2015.

The Company has a remuneration Policy in place which deals in the remuneration of the Directors, Key Managerial Personnel (KMPs), Senior Management Personnel (SMPs) and other employees of the Company. The said remuneration policy is available on the Company's website at the following web link:

<http://www.dcmshriram.com/sites/default/files/Remuneration%20Policy.pdf>

Corporate Social Responsibility (CSR)

The details of the programs/activities undertaken as CSR along with Annual Report on CSR activities and the composition of CSR Committee are provided in a separate section, which forms part of this Board's Report. The Company has a policy on CSR which includes the guidelines on the major areas in which the Company engages itself with the CSR activities/projects and the manner of implementation and monitoring the activities/projects. The composition of CSR committee, CSR policy and details of activities/projects approved by the Board are also available on the Company's website at the following web link:

<https://www.dcmshriram.com/social-responsibility>

Vigil Mechanism/Whistle Blower Policy

The Company has in place a Vigil Mechanism/Whistle Blower Policy which is available on the Company's website at the following web link:

<https://www.dcmshriram.com/sites/default/files/Vigil%20Mechanism%20Policy.pdf>

Internal Complaints Committee on POSH

The Company has complied with the provisions relating to constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“POSH”). During the financial year 2022-23, 2 cases were reported on sexual harassment which stand resolved at the end of the financial year.

Cost Records

The Company is required to maintain Cost Records as directed by the Central Government pursuant to Section 148(1) of the Act and accordingly such accounts and records are prepared and maintained by the Company.

Related Party Transactions

During the financial year 2022-23, there has been no materially significant related party transaction between the Company and its related parties which requires disclosure in Form AOC-2.

The Company has formulated a Policy on dealing with Related Party Transactions, which is available on the Company’s website at the following web link:

<https://www.dcmshriram.com/sites/default/files/RPT%20Policy.pdf>

Material Subsidiary Policy

The Company has formulated a Policy for determining ‘Material’ Subsidiaries, which is available on the Company’s website at the following web link:

<https://www.dcmshriram.com/sites/default/files/MATERIAL%20SUBSIDIARY%20POLICY%20-%20FINAL.pdf>

As on 31st March, 2023, basis the above policy, there was no “Material Subsidiary” of the Company.

Particulars of Loans, Guarantees or Investments

The details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Act and relevant rules thereunder are given in the Notes to the Financial Statements.

Fixed Deposits

1. The details relating to deposits for the financial year 2022-23, covered under Chapter V of the Act is as under:
 - a) Accepted including renewals during the year: Rs. 4,48,48,498
 - b) Remained unpaid/ unclaimed as at the end of the year: Nil
 - c) There has been no default in repayment of deposits or payment of interest thereon during the financial year 2022-23
2. All the deposits are in compliance with the requirements of Chapter V of the Act.

Internal Financial Control with respect to Financial Statements

The Company has in place adequate Internal Financial Controls with respect to financial statements. No material weakness in the design or operation of such controls was observed during the financial year 2022-23.

DCM Shriram Employee Stock Purchase Scheme

The Company has an Employee Stock Purchase Scheme (DCM Shriram ESPS) duly approved by Members, vide Special Resolution passed on August 13, 2013 and later aligned in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014. Thereafter, the Board of Directors at its meeting held on 2nd May 2023, has recommended amendments in the Scheme to align the same with the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, to the Members for approval through Postal Ballot. DCM Shriram ESPS is a secondary market scheme. DCM Shriram ESPS provides for grants of equity shares through Trust, purchased from secondary market, to the eligible Employees as may be decided by the Nomination, Remuneration and Compensation Committee from time to time.

There are no voting rights exercised on the shares held by the Trust. The details required as per SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 are available on the Company’s website at the following web link:

<https://www.dcmshriram.com/DCM-Shriram-ESPS-Report>

Directors and Key Managerial Personnel (KMP)

Mr. Ajit S. Shriram and Mr. K.K. Sharma, Directors liable to retire by rotation at the ensuing Annual General Meeting (‘AGM’), and being eligible, offer themselves for re-appointment.

Approval of the Members is being sought in the ensuing AGM for re-appointment of Mr. Ajay S. Shriram as Chairman and Senior Managing Director and Mr. Vikram S. Shriram as Vice Chairman and Managing Director of the Company, for a further period of 5 years w.e.f. 1st November 2023 as recommended by Nomination, Remuneration and Compensation Committee and Board of Directors.

The Board of Directors at its meeting held on 2nd May 2023, on recommendation of Nomination, Remuneration and Compensation Committee has approved the appointment of Mr. Aditya A. Shriram as an Additional Director, and also as Deputy Managing Director of the Company w.e.f. 2nd July 2023, subject to approval of the Members. The approval of the Members is being sought in the ensuing AGM for appointment of Mr. Aditya A. Shriram as Director and also Deputy Managing Director of the Company for a period of 5 years w.e.f. 2nd July 2023 as recommended by Nomination, Remuneration and Compensation Committee and Board of Directors.

The requisite details as required to be disclosed in connection with the appointment/re-appointment of Directors as above are mentioned in the Notice of AGM.

The Company has received declaration from all the Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16 of SEBI Listing Regulations 2015.

The details of familiarization programme for Independent Directors are available on the Company’s website at the following web link:

<https://www.dcmshriram.com/independent-directors>

Manner & Criteria of formal annual evaluation of Board's performance and that of its Committees and Individual Directors

In compliance with requirements of the Act and the SEBI Listing Regulations 2015 the formal annual performance evaluation of the Board, its Committees and Individual Directors has been conducted as under:

A. Manner of evaluation as recommended to the Board by the Nomination, Remuneration and Compensation Committee ("NRCC")

1. The Chairman of the Board consulted each Director separately about the performance of Board, Committees and other Directors and sought inputs in relation to the above. The Chairman then collated all the inputs and shared the same with the Board.
2. In respect of the evaluation of Chairman of the Board, the Chairman of NRCC collated the inputs from Directors about his performance as a Director and as Chairman of the Board/Company and as Chairman/Member of the Board Committees and shared the same with the Board.
The Board as a whole discussed the inputs on performance of Board/Committees/Individual Directors and performed the evaluation.

B. Criteria of evaluation as approved by the NRCC

The aforesaid evaluation was conducted as per the criteria laid down by the NRCC as follows:

Performance of	Evaluation Criteria
(i) Board as a whole	<ul style="list-style-type: none"> • Structure of Board including Composition/Diversity/ Process of appointment/qualifications/experience, etc; • Fulfillment of functions of the Board (for instance guiding corporate strategy, risk policy, business plans, corporate performance, monitoring Company's governance practices etc., as per the Companies Act and SEBI Listing Regulations); • Meetings of Board (Number/Manner of board meetings) held during the year including quality/quantity/timing of circulation of agenda for Board Meetings, approval process/recording of minutes and timely dissemination of information to Board; and • Professional Development and Training of Board of Directors as required.
(ii) Board Committees	<ul style="list-style-type: none"> • Composition of Committee; • Fulfillment of functions of the Committee with reference to its terms of reference, the Companies Act, 2013 and the SEBI Listing Regulations 2015; and • Number of Committee meetings held during the year.
(iii) Individual Directors	<ul style="list-style-type: none"> • Fulfillment of responsibilities as a director as per the Companies Act, 2013, the SEBI Listing Regulations 2015 and applicable Company policies and practices; • In case of the concerned director being Independent Director, Executive Director, Chairperson of the Board or Chairperson or member of the Committees, with reference to such status and role; • In case of Independent Directors, fulfillment of the independence criteria as specified under applicable Regulations and their independence from the management; • Board and/or Committee meetings attended; and • General meetings attended.

Particulars of Employees and Managerial Remuneration

The details required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of Directors, KMPs and other employees of the Company, are given in Annexure-2 of this Board's Report.

However, in terms of Section 136(1) of the Act, the Report and Financial Statements are being sent to the Members and others entitled thereto, excluding the Statement of Particulars of Employees as required under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended. The said statement is available for inspection by the Members at the Registered Office of the Company during business hours on working days up to the date of the ensuing Annual General Meeting.

Composition of Audit Committee

As on the date of this report, the Audit Committee comprises of 4 Non-Executive Independent Directors, viz., Mr. Pradeep Dinodia as Chairman and Ms. Ramni Nirula, Mr. Sunil Kant Munjal and Mr. Pravesh Sharma as Members.

Composition of other Committees

Details regarding composition of other Committees of the Board are mentioned in the Corporate Governance Report forming part of this Annual Report.

Annual Return

In terms of Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return of the Company is available on the Company's website at the following web link:- https://www.dcmshriram.com/annual_reports

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in Annexure-3 of this Board's Report.

Secretarial Audit Report

The Board appointed M/s Sanjay Grover & Associates, Company Secretaries, to conduct the Secretarial Audit for the financial year 2022-23. The Secretarial Audit Report for the said financial year is attached as Annexure-4 to this Board's Report. The Secretarial Audit Report does not contain any qualification or reservation or adverse remark or disclaimer.

Secretarial Standards

The Company is in compliance with the Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2).

Management Discussion and Analysis

A separate section on the Management Discussion and Analysis on the operations of the Company forms part of this Annual Report.

Business Responsibility and Sustainability Report

A separate section on the Business Responsibility and Sustainability Report prepared pursuant to Regulation 34(2)(f) of the SEBI Listing Regulations 2015 forms part of this Annual Report.

Corporate Governance

The Company is committed to adhere to the best Corporate Governance practices. A separate section on the Corporate Governance, along with a certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under the SEBI Listing Regulations 2015, forms part of this Annual Report.

Statutory Auditors

Pursuant to Section 139 of the Act, M/s Deloitte Haskins & Sells, Delhi, a firm of Chartered Accountants (FRN No.015125N) were appointed as Statutory Auditors of the Company by the Members in its 33rd Annual General Meeting (AGM) held on 19th July 2022 for a period of five years i.e. from the conclusion of 33rd AGM till the conclusion of 38th AGM.

The Reports given by the Statutory Auditors on the financial statements (Standalone and Consolidated) of the Company for the financial year 2022-23 are forming part of this Annual Report. The said Reports are unmodified and there are no qualifications, reservation, adverse remark or disclaimer.

Directors' Responsibility Statement

Your Directors state that:

- a) in preparation of annual accounts for the year ended 31st March 2023, the applicable accounting standards have been followed and there are no material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2023 and of the profit of the Company for that period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls as followed by the Company and that such internal financial controls are adequate and are operating effectively; and

- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Significant and material orders

There are no significant and material orders passed by any regulators or courts or tribunals impacting the going concern status and the Company's operations in future.

Industrial Relations

The Company continued to maintain harmonious and cordial relations with its workmen in all its divisions, which enabled it to achieve this performance level on all fronts.

Other Disclosures

- (i) No material change or commitment has occurred after close of the financial year 2022-23 till the date of this Report, which affects the financial position of the Company.
- (ii) There are no proceedings initiated/pending against the Company under the Insolvency and Bankruptcy Code, 2016 which impact the business of the Company.
- (iii) There were no instances of one time settlement which require the valuation from the banks or financial institutions.
- (iv) There were no instances of any fraud reported by the Auditors under Section 143(12) of the Act.

Acknowledgements

The Directors wish to thank Customers, the Government Authorities, Financial Institutions, Bankers, Other Business Associates/Stakeholders and Members for the co-operation and encouragement extended to the Company. The Directors also place on record their deep appreciation for the contribution made by the employees at all levels.

New Delhi
2nd May 2023

On behalf of the Board
AJAY S. SHRIRAM
Chairman & Senior Managing Director
DIN: 00027137

Performance and financial position of Company's Subsidiaries and Associate

Part 'A' - Subsidiaries

Name of the subsidiary	DCM Shriram Credit and Investments Ltd. (4)	DCM Shriram Aqua Foods Ltd.	DCM Shriram Infrastructure Ltd.	Shriram Bloseed Ventures Ltd.	Shriram Bloseed Ventures Ltd.	Hariyali Rural Ventures Ltd.	Fenesta India Ltd.	Shriram Polytex Limited	DCM Shriram Bio Enchem Limited	DCM Shriram Prochem Limited	DCM Shriram Ventures Limited	Shriram Agsmart Limited	DCM Shriram Foundation (5)	DCM Shriram Foundation (6)	Shridhar Shriram Foundation (5)	Bloseed Research Philippines, INC (4)	Bloseed Research Holdings Pte. Ltd.	Bloseed Research USA, INC
The Date since when the Subsidiary was acquired/Incorporated	12-05-1993	12-06-1995	12-12-2003	30-06-2007	18-12-2007	18-12-2008	19-10-2021	11-03-2022	11-03-2022	11-03-2022	30-03-2022	11-07-2022	30-11-2007	02-09-2010	16-07-2002	31-01-2009	12-07-2012	
Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	USD /USD	USD /USD	USD /USD	
Share capital	9.00	8.35	0.10	0.05	7.43	1.00	0.05	3.47	2.01	0.01	0.01	1.01	0.01	0.05	52.58	338.96	0.21	
Other Equity	(6.07)	(3.39)	(32.29)	165.34	(0.68)	0.10	57.41	37.85	(0.15)	(0.01)	(0.01)	(0.09)	(4.15)	(0.03)	11.39	(275.38)	(0.06)	
Total assets	14.90	4.99	0.09	211.03	1.84	1.40	84.75	41.96	0.01	0.95	0.03	0.95	0.28	0.02	91.57	63.96	0.17	
Total Liabilities	11.97	0.01	32.33	38.26	1.52	1.25	23.87	2.10	-	-	-	0.03	4.42	-	27.60	0.38	0.02	
Investments	1.54	-	-	0.84	-	-	-	-	-	-	-	-	-	-	-	41.92	-	
Turnover	0.48	-	(0.09)	37.85	0.02	0.72	194.82	-	-	-	-	-	-	-	92.06	2.00	-	
Profit/(loss) before taxation	(2.47)	2.01	(0.09)	26.91	0.35	0.10	5.01	(0.15)	(0.15)	(0.01)	(0.01)	(0.08)	(4.09)	-	11.57	(5.58)	(0.05)	
Provision for taxation	-	0.32	-	5.26	0.01	0.03	1.45	-	-	-	-	0.01	-	-	2.92	-	-	
Profit/(loss) after taxation	(2.47)	1.69	(0.09)	21.65	0.34	0.07	3.56	(0.15)	(0.15)	(0.01)	(0.01)	(0.09)	(4.09)	-	8.65	(5.58)	(0.05)	
Other Comprehensive income	0.25	-	-	-	-	-	(0.06)	-	-	-	-	-	-	-	0.21	-	-	
Total Comprehensive income	(2.22)	1.69	(0.09)	21.65	0.34	0.07	3.50	(0.15)	(0.15)	(0.01)	(0.01)	(0.09)	(4.09)	-	8.86	(5.58)	(0.05)	
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% of shareholding	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	99.99%	100.00%	100.00%	

Notes:

- In case of foreign subsidiaries, the assets and liabilities have been translated into Indian Rupees at the closing exchange rate at the year end and whereas statement of profit and loss numbers have been translated into Indian Rupees at average exchange rate for the year.
- Names of subsidiaries which are yet to commence operations :
(i) DCM Shriram ProChem Limited
(ii) DCM Shriram Ventures Limited
- Names of subsidiaries which have been struck off/liquidated during the year : None
- Based on financial statement prepared for consolidation purposes as per Ind AS.
- Companies incorporated u/s 8 of the Companies Act 2013 and are not considered for consolidated. (Refer note 1.3 of consolidated financial statements)

DCM SHRIRAM LIMITED : NEW DELHI

Part “B” - Associates

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies

Name of Associate Company	Renew Green (GJ Ten) Private Limited
Latest audited Balance Sheet date	Not available*
Date on which the Associate was associated or acquired	February 23, 2023
No. of Shares of Associate held by the Company at the year end	78,90,909
Amount of Investment in Associate	Rs. 8.68 Crores
Extent of Holding %	31.2%
Description of how there is significant influence	Holding more than 20% of the total paid-up share capital of the Company
Reasons why the Associate is not consolidated	Investment in Associate is valued at fair value through profit & loss (FVTPL) (Also refer note 1.3 (a) of consolidated financial statements).
Networth attributable to Shareholding as per latest audited Balance Sheet	Not available*
Total Comprehensive Income/(Loss) for the year	
i. Considered in Consolidation	NIL
ii. Not Considered in Consolidation	Not available*

Notes :

1. Names of associate which are yet to commence operations : None

2. Names of associate which have been liquidated or sold during the year : None

* Audited financial statements of Renew Green (GJ Ten) Private Limited is not available as on date therefore required financial information is not reported in the above table.

Sameet Gambhir
Company Secretary

Amit Agarwal
Chief Financial Officer

Pradeep Dinodia
Director
DIN : 00027995

Ajay S. Shriram
Chairman & Senior Managing Director
DIN : 00027137

Date : May 02, 2023

Place : New Delhi

Annexure - 2

Information required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as amended

- (i) (a) The percentage increase in remuneration of each Director during the financial year 2022-23 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2022-23 :

S. No.	Name of the Director and Designation	% increase in remuneration in the financial year 2022-23	Ratio of remuneration of each Director to the median remuneration of employees
1.	Mr. Ajay S. Shriram Chairman & Senior Managing Director & KMP	16.22%	219:1
2.	Mr. Vikram S. Shriram Vice Chairman & Managing Director	17.99%	219:1
3.	Mr. Ajit S. Shriram Joint Managing Director	16.20%	200:1
4.	Mr. K.K. Kaul Whole Time Director	0.27%	52:1
5.	Mr. K.K. Sharma Whole Time Director (EHS)	11.25%	20:1
6.	Mr. Pradeep Dinodia Non-Executive Independent Director	16.59%	20:1
7.	Mr. Vimal Bhandari Non-Executive Independent Director	3.33%	9:1
8.	Mr. Sunil Kant Munjal Non-Executive Independent Director	28.10%	11:1
9.	Ms. Ramni Nirula Non-Executive Independent Director	9.52%	9:1
10.	Mr. Pravesh Sharma Non-Executive Independent Director	5.35%	10:1
11.	Justice (Retd.) Vikramajit Sen Non-Executive Independent Director	15.25%	8:1
12.	Ms. Sarita Garg* Nominee Director(LIC)	-0.60%	7:1

*Paid to LIC of India.

- (b) The percentage increase in remuneration of Chief Financial Officer and Company Secretary during the financial year 2022-23 :

S. No.	Name of KMP and Designation	% increase in Remuneration in the financial year 2022-23
1.	Mr. Amit Agarwal Chief Financial Officer & KMP	15.75%
2.	Mr. Sameet Gambhir Company Secretary & KMP	20.66%

- (ii) In the financial year **2022-23**, there was an increase of 6.05% in the median remuneration of employees.
- (iii) There were 5,803 permanent employees on the rolls of the Company as on 31st March, 2023.
- (iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year was 10.36% whereas the increase in managerial remuneration for the same financial year was 27.22%. The increase in managerial remuneration also includes Commission.
- (v) **Affirmation :**
It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

Place : New Delhi
Date : 2nd May, 2023

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

Annexure - 3

Particulars of Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo, as required under the Companies (Accounts) Rules, 2014.

A) CONSERVATION OF ENERGY

i. The steps taken and/or impact on conservation of energy:

KOTA COMPLEX	
Fertiliser Plant	<ul style="list-style-type: none"> • Scheme was implemented to recover waste heat from HPC Streme to preheat HPC Reflux water, thereby saving energy of 0.009 Gcal/MT Urea or 353 Mtoe/annum. • Recovery of waste heat from NG Preheater flue gases by installing additional two rows in the coil. This has resulted in energy saving of 0.003 Gcal/MT Urea or 107 Mtoe/annum.
Power Plants	<ul style="list-style-type: none"> • Reduction in Export Steam losses by Insulation and trap audit. Saving achieved of 18 TPD 14 K Steam resulting in 316 Mtoe/annum saving. • Replacement of P35 Cooling Water pump. Saving of 112 Kwh/Hr power achieved resulting in 310 Mtoe/annum saving. • Conserving compressed air and stoppage of service air compressor. Saving achieved 60 Kwh/Hr power resulting in 178 Mtoe/annum saving. • Installation of VFDs in Canal Water Pump. Saving achieved of 40 Kwh/Hr power resulting in 111 Mtoe/annum saving. • Replacement of clarified water pumps. Saving achieved 16 Kwh/Hr power resulting in 44 Mtoe/annum saving.
Chemicals Plant	<ul style="list-style-type: none"> • Membrane replacement for Electrolyzer 'F and G' with an energy saving of 21,758 Kwh/day i.e. 2,379 Mtoe/annum. • Stoppage of Freon compressor and reduction in air compressor running hrs in CAG Plant with an energy saving of 3996 Kwh/day i.e. 437 Mtoe/annum. • Replacement of 20 TPD HCL unit Cold Water Pump in CAG Plant with an energy saving of 840 Kwh/day i.e. 92 Mtoe/annum.
Cement Plant	<ul style="list-style-type: none"> • Installation of VFDs in Dust collector of Cement Mill (saving 10 Kwh/Hr) and Compressor (8 Kwh/Hr) i.e. 45 Mtoe/annum.
SAC – BHARUCH	
Chemical Plant	<ul style="list-style-type: none"> • Out of 3018 membrane units installed, 166 membranes were replaced along with Anode & Cathode to optimize energy. Savings ~ 65 Lakhs kwh
SUGAR PLANTS – U.P.	
Ajbapur	<ul style="list-style-type: none"> • Ajbapur Sugar <ol style="list-style-type: none"> 1. Installed 02 Nos. Planetary Drives at Crystallizer no 5 & 11 <ul style="list-style-type: none"> • Benefit - Reduction in lubricants & maintenance cost alongwith Power saving of 1.15 Lakhs units • Cost- Installation Rs. 20 lakhs, ROI 25 % 2. Installed VFDs on hot maceration pumps at Texmaco mill <ul style="list-style-type: none"> • Benefit- 10% reduction in power consumption i.e. 0.26 Lakhs units, alongwith reduction in maintenance cost; • Cost- Rs. 8 Lakhs 3. Utilization of waste heat in flue gas (175 Deg C at FD APH outlet) in Texmaco boiler <ul style="list-style-type: none"> • To use waste heat from flue gas by introduction of additional economizer coils and secondary air preheater (improving final steam temperature to rated 420 deg C at 80% load) by introduction of radiant super heater and attemperator header. Flue gas temperature reduced from 175 Deg to 145 Deg C. Final steam temperature achieved to 420 Deg C at 80% load. • Benefit - 95 TPD Bagasse Saving • Cost- Installation cost – Rs. 3.40 Crores ROI – 25%

Ajbapur	<ul style="list-style-type: none"> • Ajbapur Sugar <ol style="list-style-type: none"> 4. Replacement of existing wet scrubber to Electro static precipitator in Texmaco Boiler to reduce stack emission (SPM level) from 150 mg to 75 mg; environment health; Clear stack emission is achieved. <ul style="list-style-type: none"> • Benefit- Compliance • Cost- Rs. 3.43 Crores • Ajbapur Distillery <ol style="list-style-type: none"> 1. Flash steam from existing 250 KLD plant to new 120 KLD plant for preheating the force circulation calendria. <ul style="list-style-type: none"> • Benefit- At present, excess flash steam is being vented to atmosphere. Now, its being utilized, leading to a reduction in steam consumption by upto 1.5 ton/hr. and thus, saving in bagasse consumption. • Net Savings- Rs. 1.32 Crores/annum • Cost- Rs. 0.35 Lakhs 2. Recycle system of DM water in Scrubber supplies to reduce DM Water consumption. <ul style="list-style-type: none"> • Benefit- Water saving upto 8,160 KL/annum. • Cost saving of DM water upto Rs. 12.24 Lakhs. • Cost- Rs. 1.7 Lakhs 3. Recycle system of reject water in all 3 Jet machines <ul style="list-style-type: none"> • Benefit- Water saving upto 24 KLD • Steam saving to MEE per calendria upto 1165.57 ton/annum • Cost saving- Rs. 11 Lakhs/annum. • Cost- Rs. 4.8 Lakhs
Rupapur	<ol style="list-style-type: none"> 1. Installation of Waste Heat Recovery (WHR) System at Sulphur Furnace <ul style="list-style-type: none"> • Benefit- 0.2% on Cane Steam Saving • Cost- Rs. 5 Lakhs 2. Installation of Air Scavenging System at Batch Machines for A Sugar Curing <ul style="list-style-type: none"> • Benefit - 0.2% on Cane Steam Saving • Cost- Rs. 12 Lakhs 3. Installation of 04 Nos. Planetary Drives at Pug mill, Magma mixer & Crystallizers <ul style="list-style-type: none"> • Benefit- Reduction in Lubricants & maintenance Cost and Power saving of 0.54 Lakhs units • Cost- Rs. 12 Lakhs 4. Replacement of High Wattage Conventional lights by Installing 01 No. LED Light High Mast Tower in Cane Yard <ul style="list-style-type: none"> • Benefit- Increased Illumination level & Saving of Power – 0.1 Lakhs units • Cost- Rs. 5 Lakhs
Hariawan	Hariawan Sugar <ol style="list-style-type: none"> 1. Operational optimization of Lime Station after stopping some equipment at Unit-1 :- <ul style="list-style-type: none"> • Benefit – Rs. 2.20 Lakhs/ Power Saving – 0.558 Lakhs units • Cost- In-house arrangement 2. Operational optimization in mud pump pumping system in Unit-1:- <ul style="list-style-type: none"> • Benefit – Rs. 1.91 Lakhs/ Power Saving – 0.48 Lakhs units • Cost- In-house arrangement 3. Adding of Capacitor banks in Process and Milling Section at Unit-1 & 2 :- <ul style="list-style-type: none"> • Benefit - Rs. 11.02 Lakhs/ Power Saving – 2.79 Lakhs Units • Cost- Rs. 2.00 Lakhs & some in-house arrangements.

Hariawan	<p>Hariawan Sugar</p> <ol style="list-style-type: none"> 4. VFDs installation at Sulphited Juice Pump in Unit-1 <ul style="list-style-type: none"> • Benefit- Rs. 2.06 Lakhs/ Power Saving – 0.52 Lakhs units • Cost- Rs. 6.00 Lakhs 5. Conventional lights replaced by LEDs in Plant & Offices Area <ul style="list-style-type: none"> • Benefit- Rs. 0.44 Lakhs/ Power Saving – 0.116 Lakhs units • Cost- Rs. 2.00 Lakhs <p>Hariawan Distillery</p> <ol style="list-style-type: none"> 1. Conventional lights replaced by LEDs in office area <ul style="list-style-type: none"> • Benefit – Rs. 0.25 Lakhs/ Power Saving – 0.062 Lakhs Units • Cost- Rs. 1.00 Lakh 2. Reduction of Specific water consumption in distillery from 7.8 KL/KL to 5.6 KL/KL by Installation of Cooling tower blow down water treatment plant (CTBD). <ul style="list-style-type: none"> • Benefit- Approx 400 KLPD Water recycling to Cooling tower for makeup and approx 0.1344 Lakhs units power saved (From September 2022 to March 2023). • Saving in terms of ground water - 8,400 KL/year • Saving in water cess - Rs. 1.26 Lakhs • Saving in Power - Rs. 0.54 Lakhs • Benefit - Reduction in borewell water extraction. • Cost- Rs. 3.15 Crores (Installation of CTBD Water treatment Plant cost). 3. Installation of 2 no's of S.S Tanks (Total Cap – 80 m3) for Throughput enhancement (185 TO 190 KLPD) by capturing colored water from evaporator, PHE Cleaning and to avoid mixing in Fermented wash and reduction in AI % in Wash. <ul style="list-style-type: none"> • Benefit - Production Enhanced (From February 2023 to March 2023) - Approx 3 KLPD (Total – 180 KL) • Cost Benefit – Rs. 18 Lakhs • Cost- Rs. 24 Lakhs 4. Installation of Plate Type Heat Exchanger for heating of colored water by Process condensate before entering in MEE to save Steam. <ul style="list-style-type: none"> • Benefit- Steam Saving - 4.8 TPD (From 1st March 2023 to 31st March 2023) • Bagasse Saving - 2.2 TPD (66 Tons in month of March 2023) • Cost Benefit – Rs. 1.98 Lakhs • Cost- Rs. 1.5 Lakhs
Loni	<ol style="list-style-type: none"> 1. Replacement of conventional lights to LED lights at Plant & colony <ul style="list-style-type: none"> • Benefit- 314 kwh/day = 1.099 Lakhs units per annum power saving 2. Replacement of conventional starters with VFDs for three pan circulator motors for pan automation <ul style="list-style-type: none"> • Benefit- 480 kwh/day = 0.76 Lakhs units per season power saving. 3. High capacity (60 TPH) pump installed at C massecuite, due to which operation is able to run on a single pump <ul style="list-style-type: none"> • Benefit- 360 kwh/day = 0.57 Lakhs units per season power saving. 4. Pumps optimization in season (30 KW pump running this year against 75 KW) <ul style="list-style-type: none"> • Benefit - 1080 kwh/day = 1.72 Lakhs units per season power saving.

ii. The steps taken by the company for utilising alternate sources of energy:

KOTA COMPLEX	<ul style="list-style-type: none"> Various initiatives taken to increase biomass consumption as alternative fuel and increasing capacity of it's consumption. This year consumption of biomass increased from 240 MT/day to 285 MT/day i.e. increase of ~ 45 TPD.
SAC BHARUCH	<ul style="list-style-type: none"> Procured Renewable Energy (Wind) of 1.3 MW Contracted for supply of 50.4 MW Renewable Power on captive model

iii. The capital investment on energy conservation equipments:

Major investments on energy conservation equipment are as under:

Plants	Investment (Rs./Crores)	Details of Equipments
KOTA COMPLEX		
Chemicals Plant	4.25	Membrane replacement for Electrolyzer 'F and G'
Power Plants	0.70	Installation of Biomass feeding machine and storage shed
	0.30	Replacement of 35 MW Cooling Water Pump
Fertiliser Plant	0.23	NG Preheater waste heat recovery
	0.13	Hot water Pump
SAC – BHARUCH		
Chemical Plant	0.02	Solar Street Light
	0.35	VFD for Filter P-154A, return brine P-084B, Clarified brine pump-044 XB, Return brine pump - P084XB
	0.04	VFD for Process condensate Pump XA in 400TPD CCU (18.5KW)
	2.71	Addition of 40 elements with membranes along with associates
	2.54	Hydrogen Compressor
	0.98	Membrane Replacement - ABCDKLN
	10.06	Electrolyzer-I coating and membrane replacement
	1.94	To have a spare set of membrane for jumbo electrolyzer i.e. 186 Nos. of membrane for Bharuch Site.
SUGAR PLANTS – U.P.		
Ajbapur	7.11	Planetary drives, VFDs, waste heat utilization of flue gas, wet scrubber to Electrostatic Precipitator
Ajbapur Distillery	0.51	Flash steam utilization, recycling of water
Rupapur	0.34	Waste Heat Recovery Boiler, Air Scavenging System, Planetary Drives & LED Lighting
Hariawan Sugar	0.10	Operational optimization, VFDs, LED lights
Hariawan Distillery	0.01	Plate Type Heat Exchanger, LED lights, reduction in specific water consumption
Loni	0.64	VFDs, LED lights, better efficiency pumps

B) TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption;

KOTA COMPLEX	<ul style="list-style-type: none"> In Cement plant, implemented a system for Carbonation of sludge generated from carbide sludge for converting this from Calcium hydroxide to Calcium carbonate for improved settling in decanter thus increasing sludge consumption in cement plant.
SAC- BHARUCH	<ul style="list-style-type: none"> KVT & P&ID technology imported for Epichloro-hydrine and Hydrogen Peroxide projects R2 technology (First of its kind in India) to monitor electrolyser performance in 850 TPD Caustic Project
SUGAR PLANTS – U.P.	<ul style="list-style-type: none"> On Line Condition monitoring of critical single line equipment – 380 sensors incl. sugar + Ajbapur distillery Automated Hot spot monitoring system in switchyards at Ajbapur, Hariawan and Loni Central data repository of plant operations' data at Loni unit through M/s AVEVA alongwith dashboards for Boiler efficiency optimization, power consumption monitoring and turbine efficiency optimization Various AI & ML projects for process optimization in all units

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution;

KOTA COMPLEX	<ul style="list-style-type: none"> Cost savings in recipe by reducing high grade limestone consumption Better operation control Improve process safety & efficiency
SAC – BHARUCH	<ul style="list-style-type: none"> KVT, P&ID and R2 technologies will help optimizing the cost once projects are commissioned
SUGAR PLANTS - U.P.	<ul style="list-style-type: none"> Cost reduction by Energy saving Reduction in Down Time Product Improvement

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year);

Carbide Plant - KOTA

a)	Technology Imported	Tap-hole fume extraction system from M/S Henan ZJN Drying environmental Sci-tech Co. Ltd, China
b)	Year of Import	2019
c)	Whether technology has been fully absorbed	Yes
d)	If technology not fully absorbed, reason for same & future plan of action	-

PVC Plant - KOTA

a)	Technology Imported	New Polymer Technology (JNC Corporation, Japan) Polymer manufactured by Yibin Jianguyuan Chemical Industry Machinery Manufacturing Co. Ltd, China
b)	Year of Import	2019
c)	Whether technology has been fully absorbed	Yes
d)	If technology not fully absorbed, reason for same & future plan of action	-

a)	Technology Imported	Twin screw Compressor from Brine Chiller from Johnson Controls, manufactured in China
b)	Year of Import	2019
c)	Whether technology has been fully absorbed	Yes
d)	If technology not fully absorbed, reason for same & future plan of action	-

Chemicals Plant - KOTA

a)	Technology Imported	Installation of new zero gap cells with NCZ technology in Electrolyser # A, B & C
b)	Year of Import	2021
c)	Whether technology has been fully absorbed	Yes
d)	If technology not fully absorbed, reason for same and future plan of action	-

Sugar Plants - U.P.

a)	Technology Imported	Grain Mill for distillery at Ajbapur
b)	Year of Import	2022-23
c)	Whether technology has been fully absorbed	Yes
d)	If technology not fully absorbed, reason for same and future plan of action	-

(iv) The expenditure incurred on Research and Development:

		Rs./Crores
Capital	-	14.08
Revenue	-	57.90

The Company is in process to set up an R & D center at Vadodara, Gujarat for which CTE (Consent to establish) is in progress.

C) FOREIGN EXCHANGE EARNINGS AND OUTGO

	Rs./Crores
- Total foreign exchange used in terms of actual outflows during the year	522.37
- Total foreign exchange earned in terms of actual inflows during the year	410.65

Place : New Delhi
Date : 2nd May 2023

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

Annexure - 4

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
DCM SHRIRAM LIMITED
(L74899DL1989PLC034923)
2nd Floor, (West Wing), Worldmark 1,
Aerocity, New Delhi-110037

We have conducted the Secretarial Audit of the compliance of the applicable statutory provisions and adherence to the good corporate practices by **DCM SHRIRAM LIMITED** (hereinafter called the “Company”) for the financial year ended 31st March, 2023. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances by the Company and expressing our opinion thereon.

We report that-

- a) Maintenance of secretarial records are the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- b) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the processes and practices, we followed, provide a reasonable basis for our opinion.
- c) We have not verified the correctness and appropriateness of the financial statements of the Company.
- d) Wherever required, we have obtained the management representation about the compliances of laws, rules and regulations and happening of events etc.
- e) The compliance of the provisions of the corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of those on test basis.
- f) This Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Based on our verification of the Company’s books, papers, minute books and other records maintained and the forms and returns filed by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2023 (“Audit Period”) complied with the statutory provisions listed hereunder and also

that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books and other records maintained, and the forms and returns filed by the Company for the financial year ended on 31st March, 2023 according to the provisions of (including any amendment thereof):

- (i) The Companies Act, 2013 (the Companies Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, where applicable;
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) and amendment thereof:-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 {Not applicable during the audit period};
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 {Not applicable during the audit period};
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 {Not applicable during the audit period};
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 {Not applicable during the audit period}; and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015;

We have also examined compliance with the applicable clauses of the Secretarial Standard on Meetings of the Board of Directors and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India which the Company is complied with. The Company is also regular in filing with Statutory Authorities.

During the audit period, the Company has complied with the provisions of the Act, Rules and Regulations, to the extent applicable, as mentioned above.

vi) The business portfolio of the Company comprises primarily of the following businesses-

1. **Chloro-vinyl:** The business has multiple revenue streams with Chlor-Alkali (caustic soda lye/flakes, chlorine, aluminium chloride, hydrogen, stable bleaching powder), Vinyl (PVC resins and calcium carbide) and is supported by coal based captive power facilities.
2. **Agri-rural:** These businesses include:
 - **Sugar** - The Company has four integrated sugar complexes in central U.P. at Ajbapur, Hariawan, Loni and Rupapur, with a total crushing capacity of 41,000 TCD with total refined sugar capacity of 3180 TPD, supported by power cogeneration capacity. These four units are fully integrated with three distilleries, two on molasses feedstock located at Ajbapur & Hariawan and one on multi-feedstock at Ajbapur and a country liquor bottling line.
 - **Shriram Farm Solution (SFS)** - This portfolio includes seeds, specialty plant nutrition and crop protection.
 - **Fertilizer (Urea)** - The Company's urea plant is located at Kota, Rajasthan, with a reassessed capacity of 3,79,500 TPA.
 - **Bioseeds** - Research oriented organization, serving the farmers by providing high quality hybrid seeds with desired traits. This business has end-to-end integration which involves research, production, processing and sales.
3. **Fenesta building systems** - Provides solutions for made-to-order uPVC windows, system aluminium windows and WPC / engineered wooden doors.
4. Other businesses include a Cement plant with capacity of 400,000 TPA at Kota.

Following are some of the laws specifically applicable to the Company:-

- Food Safety and Standards Act, 2006;
- Essential Commodities Act, 1955;
- Insecticide Act, 1968;

- Uttar Pradesh Sugarcane (Regulation of Supply and Purchase) Act, 1953;
- Seeds Act, 1966;
- Legal Metrology Act, 2009;
- The Fertilizer Control Order, 1985;
- Sugar Control Order, 1966;
- Uttar Pradesh Sheera Niyantaran Adhiniyam, 1964.

On the basis of management representation, recording in the minutes of Board of Directors and our check on test basis, we are on the view that the Company has ensured the compliance of laws specifically applicable on it.

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including Woman Independent Director. No changes took place in the composition of the Board of Directors during the audit period under review.

Adequate notice is given to all directors to schedule the Board Meetings, Agenda and detailed notes on agenda were sent in advance of the meetings and there exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting for the meaningful participation at the meetings.

Board decisions were carried out with unanimous consent and therefore, no dissenting views were required to be captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For Sanjay Grover & Associates
Company Secretaries
Firm Registration No. : P2001DE052900

Kapil Dev Taneja
Partner

Place : New Delhi
Date : May 02, 2023

CP.No. 22944, FCS No.: 4019
UDIN: F004019E000238033

CORPORATE SOCIAL RESPONSIBILITY



Annual Report on CSR activities for FY 2022-23

[PURSUANT to Section 135 of the COMPANIES Act, 2013 READ with COMPANIES (CORPORATE SOCIAL Responsibility Policy) Rules, 2014, AS AMENDED.]

Brief outline on CSR Policy of the Company:

DCM Shriram is committed to playing a larger role to bring tangible difference in the lives of communities around its areas of operations. The Company complies with Section 135 of the Companies Act, 2013,

Schedule VII and its approach is focused on long-term programs aligned with community needs and national priorities. There is also an alignment to SDGs for defining our CSR programs.

The CSR interventions, under the DCM Shriram are implemented seamlessly, taking an integrated approach for holistic development. As part of DCM Shriram's strategy and vision going forward, we aspire to have a deeper impact on people we engage with by making the communities more resilient and self-



confident. Our focus is on two aspects: addressing community needs through all-round development for a measurable improvement in quality of life and supporting small holder farmers to develop sustainable practices that conserve water, optimize resource utilization and enhance agricultural productivity. We believe that the nature of DCM Shriram's vision provides social mobility to communities we support, and brings about a permanent improvement in their wellbeing.

The core of the work being on creating impact on the lives of people, the focus areas are:

- **Livelihood • Healthcare**
- **Sanitation • Environment**
- **Education.**

The primary focus of the interventions is on communities around its manufacturing units in the geographies of Hardoi and Lakhimpur districts of UP, Kota district in Rajasthan and Bharuch district in Gujarat.

A brief overview of the activities undertaken in FY'2022-23:

I. Preventive Healthcare & Sanitation – Preventive Healthcare Initiative – Khushali Sehat

DCM Shriram has a holistic approach to healthcare that is aligned with SDG - 3. The 'Mother and Child program' has an overall objective to improve the life expectancy of individuals by increasing the demand, access, and quality of maternal and child healthcare in the adopted villages of UP, Gujarat and Rajasthan. The



program is undertaken aligning with various Government schemes like PMMVY (Pradhan Mantri Matru Vandana Yojana), JSY (Janani Suraksha Yojana), RKSK (Rashtriya Kishor Swasthya Karyakram), ICDS (Integrated Child Development Scheme).



The Company has a cadre of Sehat Saathi's - Village Level Workers (VLW) who are deployed in the adopted villages. These VLWs work in collaboration with frontline workers (FLWs) and mobilize pregnant women, lactating mothers and adolescents. The aim is to lower Infant Mortality Rate (IMR) and Maternal Mortality Rate (MMR) through focus on immunization, combating malnutrition, menstrual health management and promoting institutional deliveries. Creating demand within the community for Govt. health services and strengthening the supply side of Govt. a health facility is the essence of the healthcare program.

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For better community outreach, Mobile Medical Units (MMU) has

been introduced across 58 Gram Panchayats covering Hariawan Block, 109 Gram Panchayats covering Pasgawan Block in UP and 122 villages covering Jhagadia block in Gujarat. This MMU is equipped with all the latest medical facilities, it travels with a female gynaecologist, nurse, pharmacist, equipment for Ante/Post Natal check-ups and some tests which are being conducted for diagnosis of high risk pregnancies. The van is also equipped with audio-visual aids and short educational movies on healthcare which are aired while patients wait for their turn. With the provision of these vans, the rural women are now getting access to city-level health facilities.

In FY'2022-23, Khushali Sehat program was implemented across 167 villages of UP, 18 villages in Kota, and was launched in 19 villages in Bharuch. During the year, Khushali





Sehat program has made a direct impact on over over 22,000 households, 7,900+ pregnant and lactating women and 15,000+ adolescent girls.

Kishori Utkarsh Pahel- Adolescent Girls Self Awareness Program

DCM Shriram collaborates with Bharuch District Administration to launch Kishori Utkarsh Pahel in Bharuch. It is a program with an aim to empower adolescent girls with an objective of bringing self-awareness

pertaining to proper nutrition intake, health and hygiene, life skills, certain rights and entitlements and several Government schemes.

DCM Shriram being a strategic partner is implementing this program in partnership with CSRBox Foundation along with UNICEF India and MS University being a knowledge partner. On-ground Delivery and Local Ecosystem Partners include the Department of Women and Child Development and Education Department. The program objective is to cover adolescent girls in the age group of 10 to 19 years from 123 villages of Jhagadia Taluka, Bharuch. During the year, these girls have undergone various capability and capacity building sessions on health and hygiene, child marriage, nutrition, career counseling and will further be assessed and go for exposure visits

to Government institutions and become 'Adarsh Kishoris'.

Sanitation Initiative – Khushali Swachhata

The school and community led total sanitation program are given a boost through awareness activities in the Govt. schools and communities of Kota, Bharuch, Hardoi and Lakhimpur Kheri. Awareness activities include sensitizing the entire community on behaviour change, cleanliness of the surroundings along with good personal hygiene. The program is linked with SDG-6.

Solid Waste Management: A solid waste management unit has also been launched in Hardoi City. The program aims to contribute to the objectives of Swachh Bharat Mission – Urban (SBM-U) by awareness generation on segregation of waste, capacity building of waste handlers





(NPP Sanitation workers), treatment and disposal of collected solid waste by demonstration of In/Ex situ (Decentralized/Centralised SWM) in its intervention area. This program reaches 1317 households in ward number 5 and 21 of Hardoi District.

Shefrol Technology: A Sewage treatment facility in Hariawan village, UP which is in a pond using Shefrol Technology in partnership with university of Pondicherry was installed in FY 21-22. Aquatic plants are used in the pond for making the water in the pond fit for irrigation purpose. The facility helps in treating 100 KLD sewage water coming from 180 HH.

Construction of School Toilets: 106 school toilet blocks have been

constructed and 5 have been renovated across Kota, Hardoi and Lakhimpur Kheri districts. So far 628 school toilet blocks have been constructed across locations.

Construction of Household Toilets: 200 families are benefitting from the Household Toilets constructed in Bharuch.



Composting, ODF+, and SWM: Sanitation is also promoted through Composting as a means in our intervention villages of UP. The objective is to ensure utilization of 100 % wet waste in composting. Over 500 community awareness meetings have been held on ODF+, SWM and Composting.

II. Education, Vocational skills, Livelihood

Education Initiative – Khushali Shiksha

Through Khushali Shiksha, DCM Shriram is changing the lives of many children by opening doors of opportunity for them. The program aims to ensure access to quality education for children in the age group of 6 to 14 years through home-

based, community-based, and school-based activities with its partner Pratham Education Foundation in Hardoi and Lakhimpur Districts.

The focus is on improvement of foundational literacy and numeracy of children from Grades 1-5 while creating an education-conducive ecosystem that fosters engagement of different stakeholders from the community. To promote collaborative learning, inculcate critical thinking and problem solving, DCM Shriram has given digital devices such as tablets for children studying in class I-VI. The focus is not just on age-and-grade-appropriate learning in curricular subjects such as language, science and mathematics; it is also on leveraging skills such as critical thinking, problem solving, collaborative learning and the use of technology to promote learning.

In FY 22-23, Khushali Shiksha has reached over 3,700+ students in the Hardoi and Lakhimpur Kheri areas.



Vocational Skills – Khushali Rozgaar

Skill building is the backbone of good livelihood leading to an empowered life in all ways. Under the Khushali Rozgaar umbrella, DCM Shriram works with communities of Hardoi, Lakhimpur Kheri, Kota and Bharuch districts. It skills farmers on good agricultural practices and livestock development, introduces women on how to be financially independent and add to the family income, supports rural artisans through teaching them the art of Zardozi and rural youth on how to be self-reliant

and become change agents. This program strives to achieve the targets of SDG 1 – No Poverty and SGD2 – Zero Hunger.

Silai School: The aim of the Silai School is to empower village women and young girls by learning stitching skills for them to become entrepreneurs earning a livelihood. We have set up three Silai Schools in Loni, Ajbapur and Rupapur (UP). In FY 22-23, 210 women have been trained through the three Silai Schools.

Project Zardozi: Recognising the artisans in the clusters of Hardoi and Lakhimpur Kheri in UP, the DCM Shriram launched Project Zar-Dozi which is a livelihood sustenance program striving to develop entrepreneurship qualities in rural artisans, promoting craft and guiding them adequately to engage themselves in productive enterprises through formation of SHGs. The women meet in clusters closer to their home for these training sessions. DCM Shriram has partnered with Mon Ami Foundation





for providing technical training and help link these women with market linkages. In FY 22-23, 55 women have been skilled in the art of Zardozi.

Kaushal Vikas Kendra: Skilling the youth leads to an empowered society, as they contribute to nation building. Addressing the needs of the youth around the company's areas of operations, DCM Shriram runs three major skilling programmes in Hardoi and Lakhimpur Kheri. These are digital literacy, mobile repair and laptop and computer repair. The skills prepare the young ones for jobs as well as put them on the path of becoming micro entrepreneurs. In

FY 22-23, 120 students have been trained on mobile and laptop repair.

Livestock Development Program-(Artificial Insemination): In collaboration with BAIF, DCM Shriram has been raising awareness about the benefits of artificial insemination (AI) to small farmers in 19 villages of Jhagadia block of Bharuch district in Gujarat. Two Cattle Development Center has been set up with a technical expert who administers the Artificial and Sorted insemination for the cattle based on the calls received from the farmers. He also undertakes awareness sessions where the farmers learn how a better breed can help them augment their income

streams. Additionally, demo plots for green fodder are set up for cattle, regular vaccination and immunisation is provided through cattle health camps, and mineral mixers are provided to beneficiaries for their cattle feed. In FY22-23, 521 conventional and 191 sorted artificial





inseminations were carried out, 144 calves have been born through this program.

DCS Operator Course: In partnership with Sewa Rural Trust, DCM Shriram is training 15 students a year on DCS Operation in the VGTK facility. This project is training the youth in DCS plant operation, which is a required skillset for employment in chemical plants in the future.

Livelihood Program – Jeetega Kisaan

DCM Shriram's Core program “Jeetega Kisaan” focuses on increasing farmer income through training on improved farming practices and providing better market linkages. This program strives to achieve the targets of SGD2 – Zero Hunger. It aims to help

small and marginal farmers increase their productivity and income by providing them training on better packages of practices. High Value Crops including vegetables, fruits and other medicinal crops have been introduced to their crop cycles to help increase the annual income of the farmers with a focus on

sustainable farming practices. The program started with creating FIG's (Farmer Interest Groups) followed by creation of Farmer Producer Organisation) alongside to help the farmers in both backwards and forward integration. Starting with Input shops run by the FPO for better availability and pricing also working



towards helping farmers create market linkages for their crops and giving them access to last mile delivery. This program takes an integrated route for improving yield and crops.

In 2017, the program was designed as a partnership model wherein multiple organizations were roped in to collaborate with the CSR and the business team of the company to bring in their respective core competencies. The major focus of the program is to work towards propagating good agricultural practices along with demand and supply side water management measures.

Improved agronomic practices, better quality, appropriate quantity of agri inputs, water management and

better linkage to markets together delivered holistic economic growth. The water availability improved along with rise in the water table, recharging of

borewells, hand-pumps etc enabling farmers to cultivate 2/ 3 crops in a year as against single crop cultivation before intervention. The replication of the Agri Skilling





program – Jeetega Kisaan was undertaken at Kota by expanding the coverage through increasing the number of villages to 18 more villages in 2019. Recently an FPO has been formed in Kota as part of Jeetega Kisaan Program to help farmers on both the input and output side.

A Sustainable Paddy/Wheat Program under Jeetega Kisaan program was launched in 2021 for 2000 farmers in 46 villages of Chopan and Robersganj block of Sonbhadra District of Uttar Pradesh with IFC and IRRI as the knowledge partners and ISAP as the implementation partners.

III. Environment Sustainability - Khushali Paryavaran

Water Conservation: DCM Shriram is actively working on Water Conservation under Environment Sustainability. The program is directly linked with SDG 6 – Clean Water and Sanitation. In keeping with its belief that “Every Drop Counts” in 2017, this project was triggered by a desire to address the water scarcity and weak socio-economic conditions of the adopted villages. The program was conceptualized to ensure availability of sufficient water for irrigation, drinking and livestock, reducing the depletion of groundwater and for raising the socio-economic status of

the villagers. We have undertaken water conservation activities in Kota, Jhalawar, Bharuch, Hardoi, Lakhimpur Kheri through activities like MSTs, Anicuts, pond renovation, recharge of dugwells etc.

In 2021, a partnership was forged with Tarun Bharat Sangh as an implementation partner with an objective to create a holistic and community-driven integrated watershed management program. Renovation of 13 Rain water harvesting structures will be implemented in 7 villages of Ladpura District creating water security for approximately 5000 people. This would create an additional surface water capacity of estimated 1.8

billion (180 crore) litres every year which would be renovated for rainwater conservation and domestic purposes.

In FY 22-23, in partnership with Tarun Bharat Sangh renovation of 7 Rain water harvesting structures leading to 25.68 crore litres water storage capacity was constructed in Ladpura District of Rajasthan creating water security for approximately 5000 people.

In Bharuch, Gujarat, 39 Masonry Field Outlets (MFOs) have been constructed leading to additional 4.73 lakh litres in annual recharge capacity, 29 Hand pumps recharge

structures have been constructed leading to 11.6 lakh litre in annual recharge capacity, 1 individual pond recharge has been initiated leading to additional 9.47 lakh litres in annual recharge capacity, 3 new ponds have been constructed leading to an additional 13.58 lakh litres in annual recharge capacity, 2 ponds have been desilted leading to an additional 32.665 lakh litres in annual recharge capacity

Similarly, in Uttar Pradesh, 2 ponds have been renovated, one wet land has been rejuvenated and 1 check dam has been constructed in addition to regular behaviour

change communication activities such as community meetings and celebrations of relevant events and water bodies.

Tree Plantation: DCM Shriram is improving the green cover around its manufacturing locations through plantations done over the years. Recently we have also started our journey of creating Miyawaki plantations in Bharuch and Lakhimpur Kheri districts. In FY22-23, 13,200 saplings have been planted using the Miyawaki method and an additional 14,670 saplings using traditional methods.



2. Composition of CSR committee

S. No.	Name of the director	Designation / nature of directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Ajay S Shriram (Chairman)	Chairman and Senior Managing Director	2	1
2	Mr. Vikram S Shriram (Member)	Vice-Chairman and Managing Director	2	2
3	Mr. Ajit S Shriram (Member)	Joint Managing Director	2	2
4	Mr. Sunil Kant Munjal (Member)	Non-Executive Independent Director	2	2
5	Justice(Retd.) Vikramajit Sen (Member)	Non-Executive Independent Director	2	2
6	Mr. Pravesh Sharma (Member)	Non-Executive Independent Director	2	2

The role of the CSR Committee of the Board provides strategic direction to the Company's overall CSR objectives. The Committee seeks to guide the Company in integrating its social and environmental objectives with its business strategies and assists in crafting unique models to support creation of sustainable CSR programs. The Committee formulates, reviews and monitors the CSR Policy and recommends to the Board the annual CSR Plan of the Company. The Committee also reviews the Business Responsibility Report of the Company.

3. Provide the web-link(s) where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

- The composition of the CSR committee is available on our website, at <https://www.dcmshriram.com/csr-committee>
- The Committee, with the approval of the Board, has adopted the CSR Policy as required under Section 135 of the Companies Act, 2013. The CSR Policy of the Company is available on our website, at <https://www.dcmshriram.com/csr-policy>
- The Board, based on the recommendation of the CSR committee, at its meeting held on May 2, 2023, has approved the annual action plan / projects for Fiscal year 2023-24, the details of which are available on our website, at <https://www.dcmshriram.com/csr-budget>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable

The Company undertakes regular monitoring of all its CSR initiatives, and these include periodic third-party assessment of baseline and impact of CSR interventions with key indicators in its areas of operation based every two-three years.

In line with this, in 2022-23, ThinkThrough Consulting (TTC) was appointed by DCM Shriram towards third party assessment with the following objectives:

- Understanding the impact of DCM Shriram's Livelihood initiative running by the name of Jeetega Kisaan, across the intervention villages of Kota district in Rajasthan.

- Understanding the impact and perception of the community in relation to the interventions undertaken for the Jeetega Kisaan program.
- Understanding the impact of DCM Shriram's Education initiative running by the name of Khushali Shiksha, across the intervention villages of HarDOI and Lakhimpur Kheri district in Uttar Pradesh.
- Understanding the impact and perception of the community in relation to the interventions undertaken for the Khushali Shiksha program.
- Effectiveness of the project monitoring and evaluation along with identifying the gap areas for way forward for both programs

The assessments undertaken for Jeetega Kisaan and Khushali Shiksha programs was for the period of 2019-2022. The evaluation was undertaken using a mixed methodology, which involved both, qualitative and quantitative data collection. The assessment undertaken by TTC collected information in the form of Household (HH) surveys, focus group discussions, village level observations, joint consultations and workshops, Key Informant Interview (KIIs).

Some of the key highlights of the assessment were:

The assessment undertaken for Jeetega Kisaan showed a noticeable change in the program indicators.

- Through surveys it was observed that more medium and most importantly small and marginal farmers considered the project relevant to their needs. Thus, project was successful in reaching out to more marginalised farmers
- Awareness around FPOs was high among the respondents, despite it being in a nascent stage. Respondents saw immense potential in the FPO benefitting them in terms of input procurement, knowledge sharing and market linkage. About 50% respondents were aware of FPO BoDs and 9% were its shareholders. This establishes strong and rapid traction of FPO in the study area, thus, there is a high demand in the area for FPO like institution.
- The assessment shows that for all the crops the yield in project areas is higher than control villages. The difference can be attributed to improved knowledge and practices of farmers particularly those of seed treatment and adequate irrigation:
 - 26.80% increase in average yield for wheat crop in endline assessment as compared to baseline assessment
 - 18.51% increase in average yield for mustard crop in endline assessment as compared to baseline assessment
 - 7.28% increase in average yield for paddy crop in endline assessment as compared to baseline assessment
 - 7.3% decrease in average yield for soyabean crop in endline assessment as compared to baseline assessment, although it is to be noted that due to high rainfall conditions present during the endline assessment, the soyabean crop yield was lower than expected.
- Although it was observed through the study that the cost of cultivation in the project areas was marginally higher for wheat and mustard and lower for paddy and soyabean as compared to control villages, the average net income for each crop increased for farmers from the project areas :

- 26.80% increase in average net income for wheat crop at the endline assessment as compared to baseline assessment
- 18.45% increase in average net income for mustard crop at the endline assessment as compared to baseline assessment
- 7.25% increase in average net income for paddy crop at the endline assessment as compared to baseline assessment
- 7.43% decrease in average net income for soyabean crop at the endline assessment as compared to baseline assessment although as noted previously, due to high rainfall conditions present during the endline assessment, soyabean crop income was lower than expected

The assessment undertaken for Khushali Shiksha showed the following change in the program indicators.

- It was found that there has been considerable improvement in the learning outcomes of the students across villages in both language and mathematics.

For Grade 1 – 3:

- Performance in language: In the intervention villages, 48% of students have reached the ability to read and comprehend a text on their own. It indicates that through the project's intervention at least 50% of the students have reached grade appropriate reading levels and 96% of students are above the beginner level of reading. Comparatively, only 38% of students are above the beginner level of reading in control villages
- Performance in math: As per NIPUN Bharat's mandate on learning goals of students in grade 2, the student must be able to subtract double-digit numbers. In the intervention villages 34% of students were able to solve the same. It can also be inferred that in control villages, none of the students are at the beginners level and only around 12% of them are able to perform double digit subtraction.

For Grade 4 – 6:

- Performance in Language: In the intervention villages, 58% of total students answered reading comprehension questions while only 15% of students were able to do the same in one control village.

- Performance in Math: As for maths, 64% of students in intervention villages were able to solve word problems compared to only 7% of students in control villages.
- In addition to academic improvements, the assessment team observed non-academic improvements as well. Students were very participative and interacted well with the assessment team in FGDs and IDIs. It was also found that there has been a remarkable improvement in the attendance of students in classes.
- Through these measures, and additional activities such as village report cards, education rallies, and school readiness melas, the project was able to create a progressive attitude towards education. Mothers now make sure that their children do not miss out on school. School teachers look pleased with the progress children have made. Volunteers despite not receiving financial benefits take time out to carry out project activities.

The details are available at

<https://www.dcmshriram.com/csr-budget>

5. (a) Average net profit of the company as per sub-section (5) of section 135 – Rs. 1113.20 crore
 (b) Two percent of average net profit of the company as per sub-section (5) of section 135 – Rs. 22.26 Crore
 (c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years. – Nil
 (d) Amount required to be set off for the financial year, if any – Nil
 (e) Total CSR obligation for the financial year [(b) + (c) - (d)] - Rs. 22.26 crore
6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project) – Rs. 17.51 crore
 (b) Amount spent in Administrative Overheads – Rs. 1.11 crore
 (c) Amount spent on Impact Assessment, if applicable – Rs. 0.14 crore
 (d) Total amount spent for the Financial Year [(a) + (b) + (c)] – Rs. 18.76 crore

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer
Rs. 18.76 Crore	Rs. 3.5 Crores	28/4/2023	NA	NA	NA

(f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	Rs. 22.26 Cr
(ii)	Total amount spent for the Financial Year	Rs. 18.76 Cr
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

7. Details of Unspent Corporate Social Responsibility amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount spent in the reporting Financial Year (in Rs.).	Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding financial years. (in Rs.)	Deficiency, if any
					Amount (in Rs).	Date of transfer.		
1	FY-21-22	Rs. 2.51 Crore	Rs 0.36 Crore	Rs. 2.15 Crore	NA	NA	Rs. 0.34 Crore	NA
2	FY-20-21	NA	NA	NA	NA	NA	NA	NA
3	FY-19-20	NA	NA	NA	NA	NA	NA	NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year (Yes/ No):

No capital asset was created / acquired for fiscal 2023 through CSR spend of the Company.

If Yes, enter the number of Capital assets created/ acquired : NA

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Shrt particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity/Authority/beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
NA	NA	NA	NA	NA	NA	NA	NA

(All the fields should be captured as appearing in the revenue record, flat No., house No., Municipal Office/Municipal Corporation/ Gram Panchayat are to be specified and also the area of the immovable property as well as boundaries)

9 Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135

The Company has undertaken an initiative to induce innovation amongst small & marginal farmers through certain challenges at the intersection of water and agriculture and aims to provide financial upliftment, and social empowerment for rural farmer communities, thereby alleviating issues of low income and diminishing profitability amongst small scale farmers. The identification of the problem statement for the program took longer than envisaged but as the unspent amount is part of the ongoing project hence will be spent accordingly.

10. CFO Certificate:

In terms of Rule 4(5) of The Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended, I, Amit Agarwal, Chief Financial Officer of DCM Shriram Ltd., hereby certify that the funds so disbursed to the Company for CSR activities during the Financial Year 2022-23 have been utilized for the purpose and in the manner as approved by the Board of Directors.

For DCM Shriram Ltd.
(Amit Agarwal)
Chief Financial Officer

11. Responsibility Statement of the CSR Committee:

The CSR Committee of the Board affirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

Mr. Ajay S. Shriram
Chairman and Senior Managing Director
Chairman - CSR Committee

Mr. Ajit S. Shriram
Joint Managing Director
Member - CSR Committee

Place : New Delhi
Date : 2nd May, 2023

SOCIAL IMPACT OF CSR ACTIVITIES 2022-23

KHUSHALI SWACHHATA DISTRICT LEVEL PROGRAM



99.3% Total Waste Collection and 84.05% Total Waste Segregated in Hardoi District (Uttar Pradesh)

KHUSHALI SHIKSHA INFRASTRUCTURE DEVELOPMENT



10 Anganwadis in Hardoi (Uttar Pradesh) have been renovated to Smart Anganwadis providing a safe and engaging environment to foster early childhood learning for children who are not of school-going age

KHUSHALI SEHAT MOBILE MEDICAL UNIT



4,400+ pregnant women and lactating mothers have benefited from the Mobile Medical Unit (MMU). 4,400 + ante-natal and pots-natal check-ups have been conducted, from which 640 high risk pregnancies were identified.

JEETEGA KISAAN



2,942 Farmers benefiting through Jeetega Kissan program across Kota (Rajasthan) and Sonbhadra (Uttar Pradesh)

KHUSHALI SEHAT



Community members from 200+ villages have benefited from general health camps/ door-to-door interactions and eye camps across Kota (Rajasthan), Bharuch (Gujarat) and Hardoi & Lakhimpur Kheri districts (Uttar Pradesh)

KHUSHALI PARYAVARAN WATER CONSERVATION



68 small and 16 large water harvesting structures have been constructed with an increase of 97.72+ lakh litres in annual recharge capacity across Kota (Rajasthan), Bharuch (Gujarat) and Hardoi & Lakhimpur Kheri districts (Uttar Pradesh)

KHUSHALI PARYAVARAN TREE PLANTATION



13,200 saplings have been planted via the Miyawaki Method and 14,670 saplings have been planted using traditional methods in Bharuch (Gujarat) and Hardoi & Lakhimpur Kheri districts (Uttar Pradesh)

KHUSHALI SHIKSHA LEARNING BASED PROGRAMS



In 62 villages, 500 + village volunteers reached out and facilitated learning activities for 3,700 + primary school students in Uttar Pradesh

KHUSHALI SEHAT KISHORI UTKARSH PAHEL



5,200 + adolescent girls have been reached through this program through awareness sessions and exposure visits on Menstrual Hygiene Management, Mental Health, Rights and entitlements/ Legal Protection, Government Schemes and Leadership development

KHUSHALI ROZGAAR



210 women trained through the Silai Schools and 120 students trained through Kaushal Vikas Kendra in Hardoi & Lakhimpur Kheri districts (Uttar Pradesh), 15 students have been trained through the DCS Operator Course, 712 artificial inseminations were carried out and 144 calves have been born through the Cattle Development Program in Bharuch (Gujarat)

Corporate Governance Report 2022-23

(A) Company's Philosophy

The Company's philosophy on Corporate Governance is focused upon a rich legacy of fair, ethical and transparent policies and Governance practices. The Company is conscious of its responsibility as a good corporate citizen and is committed to high standard of Corporate Governance practices. This is reflected in the good composition, well balanced/diversified and independent structure of the Company's eminent and well-represented Board of Directors, comprehensive policies, review mechanism, effective decision-making and proactive disclosure practices. The Company is in full compliance with the requirements of Corporate Governance under the Securities and Exchange Board of India (Listing

Obligations & Disclosure Requirements) Regulations, 2015 [SEBI Listing Regulations, 2015].

(B) Board of Directors

As at 31st March 2023, there were twelve (12) Directors comprising of three (3) Managing Directors, two (2) Whole-time Directors, six (6) Non-Executive Independent Directors and one (1) Non-Executive Nominee Director of LIC of India (equity shareholder). The Board is headed by an Executive Chairman.

The composition of Board of Directors during the financial year 2022-23, details of other Directorships and Committee Memberships/Chairmanships held by them as at 31st March 2023 and their attendance at the last Annual General Meeting (AGM) held on 19th July 2022, are as follows:

Name of Director	Category of Directorship	Attended last AGM	No. of other Directorship(s)#	Name of the listed Companies (holding position of Director and category of Directorship)	No. of other Committee Membership# #	
					Member (including Chairpersonship)	Chairperson
Mr. Ajay S. Shriram (Chairman & Senior Managing Director)	Promoter & MD	Yes	9	–	–	–
Mr. Vikram S. Shriram (Vice Chairman & Managing Director)	Promoter & MD	Yes	9	–	–	–
Mr. Ajit S. Shriram (Joint Managing Director)	Promoter & MD	Yes	9	–	–	–
Mr. K.K. Kaul (Whole Time Director)	WTD	Yes	3	–	–	–
Mr. K.K. Sharma (Whole Time Director EHS)	WTD	Yes	3	–	–	–
Mr. Pradeep Dinodia (Independent Director)	NE-I-D	Yes	3	1. Shriram Pistons and Rings Limited (NE-D) 2. Hero MotoCorp Limited (NE-D)	6	3
Mr. Vimal Bhandari (Independent Director)	NE-I-D	Yes	7	1. JK Tyre & Industries Limited (NE-I-D) 2. Bharat Forge Limited (NE-I-D) 3. Kalpataru Power Transmission Ltd (NE-I-D) 4. RBL BANK Limited (NE-I-D) 5. Escorts Kubota Limited (NE-I-D)	5	1
Mr. Sunil Kant Munjal (Independent Director)	NE-I-D	Yes	3	1. Escorts Kubota Ltd. (NE-I-D)	2	–
Ms. Ramni Nirula (Independent Director)	NE-I-D	No	3	1. HEG Limited (NE-I-D) 2. Usha Martin Limited (NE-I-D) 3. Kirloskar Brothers Limited (NE-I-D)	1	–
Justice (Retd.) Vikramajit Sen (Independent Director)	NE-I-D	Yes	–	–	–	–
Mr. Pravesh Sharma (Independent Director)	NE-I-D	No	–	–	–	–
Ms. Sarita Garg (Nominee Director)	NE-D [§]	Yes	–	–	–	–

MD: Managing Director

WTD: Whole-time Director

NE-D: Non-Executive Director NE-I-D: Non-Executive Independent Director

Excluding Private Limited Companies, Foreign Companies, Companies registered under Section 8 and Dormant Companies under the Companies Act, 2013.

Includes only Audit Committee and Stakeholders Relationship Committee

§ Ms. Sarita Garg is Nominee Director of LIC, an equity shareholder

The ratio between Executive and Non-Executive Directors (including the Nominee Director) is 5:7 and 50% of the Board comprises of Independent Directors.

During the year, six (6) Board Meetings were held on 5th May 2022, 17th May 2022, 19th July 2022, 18th August 2022, 19th October 2022 and 20th January 2023. The attendance of Directors at the Meetings of the Board of Directors was as follows:

Name and Position of Director in Board	Meetings and Attendance of Board Meetings					
	05.05.22	17.05.22	19.07.22	18.08.22	19.10.22	20.01.23
Mr. Ajay S. Shriram (Chairman & Senior Managing Director)	Yes	Yes	Yes	Yes	Yes	Leave of absence
Mr. Vikram S. Shriram (Vice Chairman & Managing Director)	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ajit S. Shriram (Joint Managing Director)	Yes	Yes	Yes	Yes	Yes	Yes
Mr. K.K. Kaul (Whole Time Director)	Yes	Yes	Yes	Yes	Yes	Yes
Mr. K.K. Sharma (Whole Time Director EHS)	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Pradeep Dinodia (Independent Director)	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Vimal Bhandari (Independent Director)	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Sunil Kant Munjal (Independent Director)	Yes	Yes	Yes	Leave of absence	Yes	Yes
Ms. Ramni Nirula (Independent Director)	Yes	Yes	Leave of absence	Yes	Yes	Yes
Justice (Retd.) Vikramajit Sen (Independent Director)	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Pravesh Sharma (Independent Director)	Yes	Yes	Leave of absence	Yes	Yes	Yes
Ms. Sarita Garg (Nominee Director)	Yes	Leave of absence	Yes	Yes	Yes	Yes

Separate meeting of Independent Directors

A separate meeting of the Independent Directors was held during the year on 20th January 2023.

Inter-se relationship amongst Directors

Mr. Ajay S. Shriram, Mr. Vikram S. Shriram and Mr. Ajit S. Shriram, being brothers, are related to each other. Apart from the above, none of the Directors are related to each other.

Number of shares/convertible instruments held by Non-Executive Directors as on 31st March 2023

None of the Non-Executive Directors holding office as on 31st March 2023 hold any equity shares in the Company, except the following:

Name of the Director	No. of Equity Shares held	% age of Share holding
Mr. Pradeep Dinodia	29,270	0.02
Mr. Vimal Bhandari	2,000	0.00
Mr. Sunil Kant Munjal	228,000*	0.15

* Beneficial owner of the said shares is Hero Enterprise Partner Ventures. Further, there are no Convertible Instruments issued by the Company.

Web-link of Familiarization Programmes imparted to Independent Directors

The details of Familiarization Programmes imparted to Independent Directors are available on the Company's website at the following web link:

<https://www.dcmshriram.com/independent-directors>

Chart of skills / expertise / competencies identified by the Board of Directors in context of the Company's businesses and sectors for it to function effectively and actually available with the Board

The Board has identified the following skills / expertise / competencies required in the context of its businesses and sectors for it to function effectively:

- Industry-specific experience of chemicals, agri-rural, value-added
- Project planning, project financing, financial management, taxation and banking
- Business strategy, corporate restructuring, general management, administration
- Business operations planning, supply chain management, information technology
- Sustainability, environment, health, safety, human resource and succession planning
- Corporate affairs, legal & regulatory and arbitration

The Directors of the Company possess the relevant skills / expertise / competencies stated out above, as under:

Name of Director	List of Core Skills/Expertise/Competencies possessed
Mr. Ajay S. Shriram	General Management, Strategy, HR, Sugar, Fertilizer & Agri Businesses, and Chloro-Vinyl Business
Mr. Vikram S. Shriram	General Management, Strategy, Finance, Agri Businesses, Sugar, B2C, Chemical and Energy Businesses
Mr. Ajit S. Shriram	General Management, Strategy, Finance, Digital Transformationalist, Agri Businesses, Sugar and Chloro-Vinyl Business.
Mr. K.K. Kaul	General Management, Project Management, Procurement and Supply Chain Management, Setting up/Operation of Fertilizer, Chemicals, Petrochemicals, Cement, process plants and Human Resource Management.
Mr. K.K. Sharma	Environment Health and Safety, Sustainability reporting, Agrochemicals and Pharmaceutical Manufacturing
Mr. Pradeep Dinodia	Corporate Affairs, Law, Accounting and Direct Taxation

Name of Director	List of Core Skills/Expertise/Competencies possessed
Mr. Vimal Bhandari	Finance, Human Resources and General Management
Mr. Sunil Kant Munjal	Mergers & Acquisitions, Impact Investing, Finance & Banking, Macro-economy, Corporate Strategy, Succession Planning, Business process and improvements, Restructuring, Social Investing etc.
Ms. Ramni Nirula	Project Financing, Strategy, Planning & Resources and Corporate Banking
Justice (Retd.) Vikramajit Sen	Civil & Commercial Legal Matters and Arbitration
Mr. Pravesh Sharma	Food Security, Agriculture, Rural finance, Rural Development and Natural Resources Management.
Ms. Sarita Garg	Administration, Governance, Group Insurance and Information Technology

Confirmation regarding Independent Directors

On the basis of declaration received from the Independent Directors, the Board confirms that in their opinion, the Independent Directors of the Company fulfill the conditions specified in the SEBI Listing Regulations, 2015 and they are independent of the management.

During the year under review, no Independent Director resigned from the Company.

(C) Audit Committee

(i) Terms of reference in brief

The role and terms of reference of Audit Committee covers areas mentioned under SEBI Listing Regulations, 2015 and Section 177 of the Companies Act, 2013 and rules made thereunder and/or any other SEBI Laws/Regulations, as applicable from time to time besides other matters, as may be delegated by the Board of Directors from time to time.

(ii) Composition

The Audit Committee was constituted in the year 1990. As at 31st March 2023, the Audit Committee comprised of four (4) Independent Directors and was headed by an Independent Director. The Committee met five (5) times during the year on 4th May 2022, 17th May 2022, 18th July 2022, 19th October 2022 and 19th January 2023. Attendance of the members at the said meetings was as follows:

Name and Position in the Committee	Meetings and Attendance of Audit Committee				
	04.05.2022	17.05.2022	18.07.2022	19.10.2022	19.01.2023
Mr. Pradeep Dinodia (Chairman)	Yes	Yes	Yes	Yes	Yes
Mr. Sunil Kant Munjal (Member)	Yes	Yes	Yes	Yes	Yes
Ms. Ramni Nirula (Member)	Yes	Yes	Yes	Yes	Yes
Mr. Pravesh Sharma (Member)	Yes	Yes	Yes	Yes	Yes

Mr. Sameet Gambhir, Company Secretary, is the Secretary to the Committee.

(D) Nomination, Remuneration and Compensation Committee

(i) Terms of reference in brief

The role and terms of reference of Nomination, Remuneration and Compensation Committee (NRCC) covers areas mentioned under SEBI Listing Regulations, 2015 and Section 178 of the Companies Act, 2013 and rules made thereunder and/or any other SEBI Laws/Regulations, as applicable from time to time and other matters as may be delegated by the Board of Directors from time to time.

(ii) Composition

As at 31st March 2023, the NRCC comprised of four (4) members, including three (3) Independent Directors and the Chairman & Senior Managing Director of the Company. The Committee is headed by an Independent Director. The Committee met once during the year on 5th May 2022. The attendance of the members at the said meeting was as follows:

Name and position in the Committee	Meeting and Attendance of Nomination Remuneration and Compensation Committee
	05.05.2022
Mr. Pradeep Dinodia (Chairman)	Yes
Mr. Ajay S. Shriram (Member)	Yes
Mr. Vimal Bhandari (Member)	Yes
Mr. Sunil Kant Munjal (Member)	Yes

Mr. Sameet Gambhir, Company Secretary, is the Secretary to the Committee.

(iii) Performance Evaluation Criteria

The Nomination, Remuneration and Compensation Committee (NRCC) has approved the following criteria for evaluation of performance of Directors (including Independent Directors).

- Fulfillment of responsibilities as a director as per the Act, the Listing Regulations and applicable Company policies and practices;
- In case of the concerned director being Independent Director, Executive Director, Chairperson of the Board or Chairperson or member of the Committees, with reference to such status and role;

- In case of Independent Directors, fulfillment of the independence criteria as specified under applicable Regulations and their independence from the management;
- Board and/or Committee meetings attended; and
- General meetings attended.

(iv) Remuneration of Directors

- (a) During the financial year 2022-23, there was no material pecuniary relationship or transaction between the Company and any of its Non-Executive Directors which is required to be disclosed.
- (b) Criteria of making payments to Non-Executive Directors is as per the Remuneration Policy of the Company, which is available on the Company's website at the following web link:
https://www.dcmshriram.com/sites/default/files/Remuneration%20Policy_0.pdf

(v) Details of remuneration to Directors for the financial year 2022-23

- (a) **Non-Executive Directors:** The details of remuneration paid/payable during the year by way of commission and sitting fee for attending meetings of Board/Committees to Non-Executive Directors are as under:

Name of the Director	Amount (Rs. in Lakhs)		
	Sitting Fee	Commission	Total
Mr. Pradeep Dinodia	24.00	99.00	123.00
Mr. Vimal Bhandari	9.00	45.25	54.25
Mr. Sunil Kant Munjal	13.00	54.25	67.25
Ms. Ramni Nirula	10.00	47.50	57.50
Justice (Retd.) Vikramajit Sen	8.00	43.00	51.00
Mr. Pravesh Sharma	12.00	52.00	64.00
Ms. Sarita Garg	**5.00	*36.25	41.25

* Paid to LIC of India

** Out of which, Rs. 3.00 Lakh paid to LIC of India

(b) Managing/Whole-Time Directors

Amount (Rs. in Lakhs)

Name of the Director	Salary	PF/Superannuation /NPS contribution	Allowances/ Perquisites/ Others	Commission	Stock Options	Total
Mr. Ajay S. Shriram	336.60	104.19	169.64	750.00	-	1,360.43
Mr. Vikram S. Shriram	333.00	103.03	184.59	745.00	-	1,365.62
Mr. Ajit S. Shriram	282.60	86.98	145.24	730.00	-	1,244.82
Mr. K.K. Kaul	127.32	16.56	92.02	85.00	-	320.90
Mr. K.K. Sharma	45.90	5.51	63.98	12.00	-	127.39

Notes:

1. No sitting fee has been paid to the Managing / Whole-Time Directors
2. Provision for incremental gratuity and earned leave for the current year has not been considered, since the provision is based on actuarial basis for the Company as a whole.
3. Notice period for termination of appointment of Managing/Whole-Time Directors is six/three calendar months respectively, on either side, and service period of Managing / Whole-Time Directors is as approved by the shareholders from time to time.
4. In the event of termination of appointment of Managing Directors, compensation will be in accordance with the provisions of the Companies Act, 2013 and rules made thereunder or any statutory amendment or re-enactment thereof.
5. The commission is paid to Managing / Whole-Time Directors as approved by the Board of Directors within the prescribed limit. The criteria for payment of commission is considered and reviewed by the Nomination, Remuneration and Compensation Committee and then recommended to the Board of Directors for approval.

(E) Stakeholders' Relationship Committee
(i) Terms of reference in brief

The role and terms of reference of Stakeholders Relationship Committee (SRC) covers areas mentioned under SEBI Listing Regulations, 2015, Section 178 of the Companies Act, 2013 and rules made thereunder and/or any other SEBI Laws/Regulations, as applicable from time to time, inter-alia, including to consider and resolve the grievances of security holders of the Company i.e., shareholders, debenture holders and any other security holders and other matters as may be delegated by the Board of Directors from time to time.

(ii) Composition

As on 31st March 2023 the SRC comprised of four (4) Directors, including an Independent Director and the Managing Directors of the Company. The Committee is headed by Mr. Pradeep Dinodia, an Independent Director. The Committee met thirteen (13) times during the year on 27th April 2022, 27th May 2022, 30th June 2022, 18th August 2022, 1st September 2022, 27th September 2022, 27th October 2022, 28th November 2022, 21st December 2022, 30th December 2022, 25th January 2023, 23rd February 2023, 31st March 2023. The attendance of the members at the said meetings was as follows:

Name and Position in the Committee	Meetings and Attendance of Stakeholders Relationship Committee												
	27.04.22	27.05.22	30.06.22	18.08.22	01.09.22	27.09.22	27.10.22	28.11.22	21.12.22	30.12.22	25.01.23	23.02.23	31.03.23
Mr. Pradeep Dinodia (Chairman)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Leave of absence	Yes	Yes	Yes
Mr. Ajay S. Shriram (Member)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Leave of absence	Yes	Yes	Yes
Mr. Vikram S. Shriram (Member)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ajit S. Shriram (Member)	Yes	Yes	Yes	Yes	Yes	Leave of absence	Leave of absence	Yes	Yes	Yes	Yes	Leave of absence	Yes

Mr. Sameet Gambhir, Company Secretary is the Compliance Officer and acts as the Secretary to the Committee.

(iii) Status of Investor Complaints during the FY 2022-23

During the year, 10 (Ten) complaints were received from the shareholders and all of them were resolved to the full satisfaction of the shareholders. There were no pending investor complaints as on 31st March 2023.

during the year on 7th September 2022 and 3rd March 2023. The attendance of the members at the said meetings was as follows:

(F) Risk Management Committee
(i) Terms of reference in brief

The role and terms of reference of Risk Management Committee covers areas mentioned under SEBI Listing Regulations, 2015 and/or any other SEBI Laws/Regulations, as applicable from time to time, inter-alia, or as may be delegated by the Board of Directors from time to time.

(ii) Composition

The Committee comprised of four (4) members, including two (2) Whole-time Directors, one (1) Independent Director and one (1) senior managerial employee. The Committee met two (2) times

Name and position in the Committee	Meeting and Attendance of Risk Management Committee	
	07.09.22	03.03.23
Mr. K.K. Kaul (Chairman)	Yes	Yes
Mr. Vimal Bhandari (Member)	Yes	Yes
Mr. K.K. Sharma (Member)	Yes	Yes
Mr. Roshan Lal Tamak (Member)	Yes	Leave of absence

Note: Mr. Shekhar Khanolkar, another senior managerial employee, was member of the Committee upto 18th August 2022. Mr. Sameet Gambhir, Company Secretary, is the Secretary to the Committee

(G) Corporate Social Responsibility Committee

(i) Terms of reference in brief

The role and terms of reference of Corporate Social Responsibility (CSR) Committee covers the scope prescribed under Section 135 of the Companies Act, 2013 and rules made thereunder, as amended from time to time, or as may be delegated by the Board of Directors from time to time.

(ii) Composition

The CSR Committee comprised of six (6) members, including three (3) Managing Directors and three (3) Independent Directors. The Committee met two (2) times during the year on 4th May 2022 and 19th January 2023. The attendance of the members at the said meetings was as follows:

Name and position in the Committee	Meeting and Attendance of CSR Committee	
	04.05.22	19.01.23
Mr. Ajay S. Shriram (Chairman)	Yes	Leave of absence
Mr. Vikram S. Shriram (Member)	Yes	Yes
Mr. Ajit S. Shriram (Member)	Yes	Yes
Mr. Sunil Kant Munjal (Member)	Yes	Yes
Justice (Retd.) Vikramajit Sen (Member)	Yes	Yes
Mr. Pravesh Sharma (Member)	Yes	Yes

Mr. Sameet Gambhir, Company Secretary, is the Secretary to the Committee

(H) Board Finance Committee

(i) Terms of reference in brief

The Board Finance Committee looks after various banking and finance-related functions of the Company, as delegated by the Board from time to time.

(ii) Composition

The Board Finance Committee comprises of four (4) members, including the Managing Directors and a Whole-time Director. The Committee met eleven (11) times during the year on 7th June 2022, 21st June 2022, 28th July 2022, 29th August 2022, 21st September 2022, 19th October 2022, 5th December 2022, 20th January 2023, 13th February 2023, 1st March 2023 and 20th March 2023. The attendance of the members at the said meetings was as follows:

Name and Position in the Committee	Meetings and Attendance of Board Finance Committee										
	07.06.22	21.06.22	28.07.22	29.08.22	21.09.22	19.10.22	05.12.22	20.01.23	13.02.23	01.03.23	20.03.23
Mr. Ajay S. Shriram (Chairman)	Yes	Yes	Yes	Yes	Leave of absence	Yes	Yes	Leave of absence	Yes	Yes	Yes
Mr. Vikram S. Shriram (Member)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Ajit S. Shriram (Member)	Yes	Yes	Leave of absence	Yes	Leave of absence	Yes	Yes	Yes	Yes	Yes	Yes
Mr. K.K. Kaul (Member)	Yes	Yes	Yes	Yes	Yes	Leave of absence	Yes	Yes	Yes	Yes	Yes

Mr. Sameet Gambhir, Company Secretary, is the Secretary to the Committee

(I) General Body Meetings

The last three Annual General Meetings (AGMs) were held as under:

Date of AGM	Time	Location
19.07.2022	12:00 Noon	The said meetings were conducted through video Conferencing ("VC") /Other Audio Visual Means ("OAVM")
20.07.2021	10:30 A.M.	
21.07.2020	10:30 A.M.	

The details of Special Resolutions passed in previous three (3) AGMs are as under:

AGM 2022

- Approval for the re-appointment of Mr. K.K. Sharma (DIN:07951296) as Whole Time Director - EHS under Sections 196, 197 and other

applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V for a period of five years effective from 20th November 2022.

AGM 2021

- Approval for re-appointment of Mr. K.K. Kaul (DIN:00980318) as Whole Time Director under Sections 196, 197 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V for a period of two years effective from 2nd July 2021.
- Approval for re-appointment of Justice (Retd.) Vikramajit Sen (DIN:00866743), as a Non-Executive Independent Director under Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 for second term of 5 consecutive years effective from 9th August 2021.

- Approval for re-appointment of Mr. Pravesh Sharma (DIN:02252345), as a Non-Executive Independent Director under Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 for second term of 5 consecutive years effective from 9th August 2021.

AGM 2020

- Approval for re-appointment of Mr. Ajit S. Shriram (DIN: 00027918), as a Joint Managing Director under Sections 196, 197 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V thereof for a period of five years effective from 2nd May 2021.
- Approval for re-appointment of Ms. Ramni Nirula (DIN: 00015330), as a Non-Executive Independent Director under Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 for second term of 5 consecutive years effective from 3rd February 2020.

SPECIAL RESOLUTION PASSED THROUGH POSTAL BALLOT

During the financial year 2022-23, no Special Resolution was passed through Postal Ballot.

Pursuant to approval by the Board in its meeting held on 2.5.2023, approval of the shareholders is being sought through postal ballot process on the following special resolutions:

1. Approval of amendment to DCM Shriram Employee Stock Purchase Scheme.
2. Approval of extension of DCM Shriram Employee Stock Purchase Scheme to the employees / whole time directors of subsidiaries of the Company.
3. Approval for further acquisition of equity shares of the Company from secondary market by DCM Shriram Employees Benefits Trust (the 'Trust'), for implementation of DCM Shriram Employee Stock Purchase Scheme and granting of loan to the Trust.

As permitted by MCA vide its circular dated 28th December 2022, the postal ballot shall be conducted only through electronic mode. Notice of postal ballot along with detailed procedure, is appearing on the website at www.dcmshriram.com. The Company has engaged National Securities Depository Limited (NSDL) as the e-voting agency for the said postal ballot process; and appointed Mr. Kapil Dev Taneja or failing him Mr. Neeraj Arora, Partners at M/s Sanjay Grover & Associates, Practicing Company Secretaries, as the Scrutinizers.

(J) Means of communication

The Company interacts with its investors and stakeholders through multiple forms of corporate and financial communications such as annual reports, result announcements, and media releases. Quarterly results are usually published in English and Hindi daily newspapers, viz., Business Standard/Financial Express/Jansatta. These results are also made available on the website of the Company www.dcmshriram.com and also posted at the online portal of NSE and BSE. The Company's website also displays official news releases and presentations made to the Institutional

Investors or to the Analysts. The Company has interacted with analysts and investors during the year under review through VC, conference calls etc. The recordings and transcripts of analysts / institutional investor meetings are displayed on the Company's website.

(K) General Shareholders Information

(i) The next Annual General Meeting (AGM) is proposed to be held on July 25, 2023 through video conferencing / other audio visual means.

(ii) **Financial Year:** 1st April to 31st March.

(iii) Dividend for the Financial Year 2022-23:

For the financial year 2022-23, the Company has declared two Interim Dividends and recommended final dividend, subject to approval of shareholders at the ensuing AGM, details of which are as under:

Sl. no.	Particulars	Amount paid per equity share (Rs.)	Date of declaration	Date of Payment
1	1 st Interim Dividend	4.60	19.10.2022	15.11.2022
2	2 nd Interim Dividend	5.80	20.01.2023	18.02.2023
3	Final Dividend*	3.60	25.07.2023	

*If declared in the ensuing AGM, the final dividend will be paid within 30 days of the date of declaration to those members whose names appear in the Register of Members on the date of book closure/record date.

(iv) Listing of Equity Shares and Stock Codes

The names of Stock Exchanges at which Company's Shares are listed, symbol/scrip code and status of payment of listing fees are as under:

Name and Address of the Stock Exchange	Scrip Symbol/ Code	Status of Annual Listing Fees
National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400051	DCMSHRIRAM	Paid
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	523367	Paid

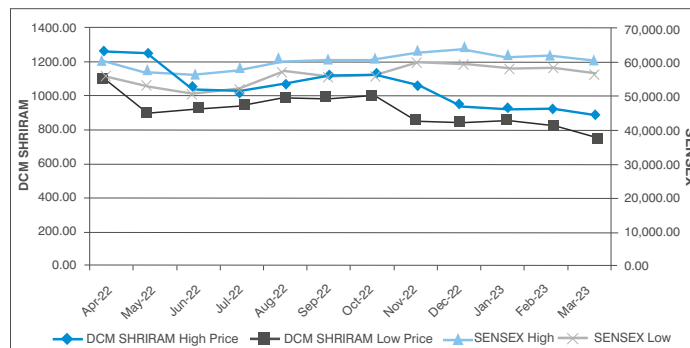
Under the depository system, the ISIN allotted to the Company's Equity Shares of face value of Rs. 2/- each is INE499A01024.

(v) Listing of commercial papers

No commercial papers were issued / listed during the financial year 2022-23.

(vi) Equity Share Price data for the year 2022-23
Equity Share Price on NSE and NIFTY

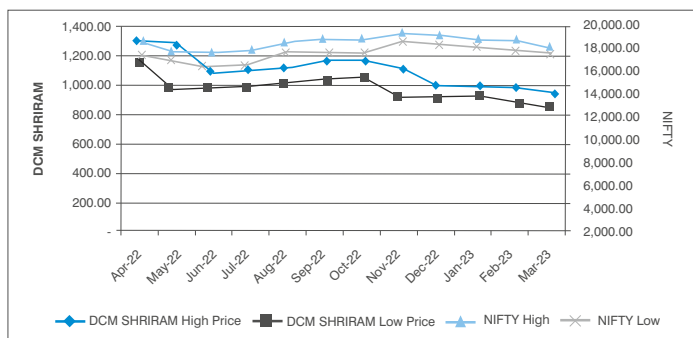
Month	DCM Shriram		NIFTY	
	High	Low	High	Low
Apr-22	1263.85	1100.00	18114.65	16824.70
May-22	1249.00	897.05	17132.85	15735.75
Jun-22	1026.35	913.25	16793.85	15183.40
Jul-22	1029.85	936.10	17172.80	15511.05
Aug-22	1075.00	951.05	17992.20	17154.80
Sep-22	1121.00	976.90	18096.15	16747.70
Oct-22	1119.90	997.00	18022.80	16855.55
Nov-22	1063.00	832.85	18816.05	17959.20
Dec-22	919.80	831.00	18887.60	17774.25
Jan-23	920.00	840.55	18251.95	17405.55
Feb-23	912.60	807.80	18134.75	17255.20
Mar-23	876.90	730.20	17799.95	16828.35



(vii) Registrar and Share Transfer Agent: MCS Share Transfer Agent Limited is the Registrar and Share Transfer Agent for the shares of the Company, both in physical and electronic mode.

(viii) Share Transfer System: The Company's shares are traded in the Stock Exchanges compulsorily in DEMAT mode.

(ix) Distribution of Shareholding as on 31st March 2023



No. of Shares		Shares		Shareholders	
From	To	Number	% to total no. of Shares	Number	% to total no. of Shareholders
1	500	45,63,963	2.93	54992	92.13
501	1000	17,22,989	1.10	2367	3.97
1001	2000	16,96,356	1.09	1183	1.98
2001	3000	10,30,653	0.66	413	0.69
3001	4000	6,50,031	0.42	185	0.31
4001	5000	4,67,063	0.30	102	0.17
5001	10000	13,96,519	0.90	194	0.33
10001	50000	37,98,764	2.43	187	0.31
50001	100000	16,89,397	1.08	24	0.04
100001 & above		13,89,26,561	89.09	44	0.07
Total		15,59,42,296	100	59691	100

Equity Share Price on BSE and SENSEX

Month	DCM Shriram		SENSEX	
	High	Low	High	Low
Apr-22	1263.85	1100.35	60845.10	56009.07
May-22	1249.00	895.25	57184.21	52632.48
Jun-22	1026.10	910.00	56432.65	50921.22
Jul-22	1029.60	927.55	57619.27	52094.25
Aug-22	1075.00	980.70	60411.20	57367.47
Sep-22	1121.20	976.85	60676.12	56147.23
Oct-22	1121.65	995.30	60786.70	56683.40
Nov-22	1066.95	833.95	63303.01	60425.47
Dec-22	919.30	832.30	63583.07	59754.10
Jan-23	918.45	841.00	61343.96	58699.20
Feb-23	910.00	808.60	61682.25	58795.97
Mar-23	875.00	730.05	60498.48	57084.91

(x) Dematerialization of Equity Shares and liquidity

As on 31st March 2023, 98.87 % of the total eligible Equity Shares were in dematerialized form and the balance 1.13% shares were in physical form.

(xi) Outstanding GDRs, ADRs or warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/warrants or any convertible instruments, which are pending for conversion.

(xii) Commodity price risk or foreign exchange risk and hedging activities including commodity hedging

The Company's operations are mainly in India and therefore rupee denominated, except foreign currency denominated loans (Long Term and Short Term), imports of some raw materials, stores & spares and capital goods and export of finished goods. These liabilities and assets are mostly fully hedged against foreign currencies.

(xiii) Plant Locations

The Company's plants are located at Ajbapur, Rupapur, Hariawan, Loni (Uttar Pradesh), Bharuch (Gujarat), Kota, Bhiwadi (Rajasthan),

Hyderabad (Telangana), Chennai (Tamil Nadu) and Bhubaneswar (Odisha).

(xiv) Address for Correspondence

The Company's Registered and Corporate Office is situated at 2nd Floor, (West Wing) Worldmark 1, Aerocity, New Delhi-110037.

Correspondence by the shareholders should be addressed to:

- (a) MCS Share Transfer Agent Limited
F-65, 1st Floor, Okhla Industrial Area, Phase-I
New Delhi - 110020
Tel. Nos.: 011-4140 6149 - 152
Fax No.: 011-4170 9881
E-mail : helpdeskdeldhi@mcsregistrars.com,
admin@mcsregistrars.com

- (b) Exclusive E-mail for Investor Complaints:
shares@dcmshriram.com

Members holding shares in electronic mode should address all their correspondence to their respective Depository Participants.

(xv) List of all credit ratings obtained:-

Sl. No.	Particular	Rating
1.	Commercial Paper	(ICRA & CRISIL) A1 +
2.	Short Term	(ICRA) A1 +
3.	Long Term	(ICRA) AA+ (Stable)
4.	Fixed Deposit	(ICRA) AA+ (Stable)*

* last year - MAAA (During the financial year 2022-23, ICRA discontinued the medium-term rating scale used to assign ratings to the Fixed Deposit programmes of the Company and migrated the said outstanding rating from MAAA to AA+).

(L) Other disclosures

- (i) There were no materially significant related party transactions during the year that had potential conflict with the interest of the Company at large.
- (ii) There were no instances of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital markets during the last three years.
- (iii) The Company has established a Vigil Mechanism/Whistle Blower Policy as per the requirement of the SEBI Listing Regulations, 2015 and the Companies Act, 2013. It is affirmed that no personnel was denied access to the Audit Committee.
- (iv) The Company is complying with all the mandatory requirements of SEBI Listing Regulations, 2015. With regard to non-mandatory requirements, for the last financial year, the auditors of the Company had issued audit reports with unmodified opinion.
- (v) The Company has formulated a Policy for determining 'Material' Subsidiaries, which is also available on the Company's website at the following web link:

<https://www.dcmshriram.com/sites/default/files/MATERIAL%20SUBSIDIARY%20POLICY%20-%20FINAL.pdf>

As on 31st March 2023, basis the above policy, there was no "Material Subsidiary" of the Company

- (vi) The Company has formulated a Policy on dealing with Related Party Transactions, which is also available on the Company's website at the following web link:
<https://www.dcmshriram.com/sites/default/files/RPT%20Policy.pdf>
- (vii) Details of utilization of funds raised through preferential allotment or qualified institutions placement, as specified under Regulation 32(7A) of SEBI Listing Regulations, 2015, was not applicable during the year under review.
- (viii) The Company has obtained a certificate from M/s Rohit Parmar & Associates, Company Secretaries, certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of companies by SEBI, Ministry of Corporate Affairs or any such statutory authority. Copy of the said certificate is enclosed to this report.
- (ix) The details of total fees for all services paid to the Statutory Auditors and its network firms/entities (registered with the ICAI as Chartered Accountant) during the year ended 31st March 2023 are as below:

Particulars	Amount (Rs. In Lakh)
Statutory audit	155.00
Other audit services	40.96
Limited reviews	67.33
Out-of-pocket expenses	10.43
Total	273.72

Note: Total includes fee related to subsidiary company and Rs.68.12 lakh paid to preceding statutory auditors (PWC)

- (x) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of complaints filed during the financial year	Number of complaints disposed off during the financial year	Number of complaints pending as on end of the financial year
2	2	0

- (xi) Details of loans and advances in the nature of loans to firms/companies in which directors are interested, are appearing at Note No. 31 of the Notes to Accounts forming part of the Standalone Financial Statements appearing in this Annual Report.
- (xii) The Company is in compliance with Corporate Governance requirements as specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of SEBI Listing Regulations, 2015.
- (xiii) In compliance with the provisions of SEBI Listing Regulations, 2015, the Board has laid down a Code of Conduct for all Board Members

and Senior Management Team. A copy of the said Code of Conduct is available on the Company's website at the following web link:

<http://www.dcmshriram.com/code-of-conduct>

All Board Members and Senior Management Team have affirmed compliance of Code of Conduct as on 31st March 2023 and a declaration to that effect signed by Chairman & Senior Managing Director is attached and forms part of this report.

(xiv) A certificate from the auditors regarding compliance of conditions of corporate governance shall be annexed with this report.

(xv) As on 31st March 2023, there are no shares lying in the demat suspense account / unclaimed suspense account of the Company.

(AJAY S. SHRIRAM)

Place : New Delhi

Chairman & Sr. Managing Director

Date : 2nd May 2023

DIN : 00027137

Declaration regarding Compliance of Code of Conduct

I, **Ajay S. Shriram, Chairman & Senior Managing Director and CEO of DCM Shriram LTD.** hereby declare that all Board Members and Senior Management Team have affirmed compliance of the Code of Conduct for the year ended 31st March, 2023.

Place : New Delhi
Date : 2nd May 2023

(AJAY S. SHRIRAM)
Chairman & Sr. Managing Director
DIN : 00027137

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
 The Members
 DCM Shriram Limited
 2nd Floor, (West Wing) Worldmark 1,
 Aerocity, New Delhi-110037

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of DCM Shriram Limited having CIN L74899DL1989PLC034923 and having registered office at the 2nd Floor, (West Wing) Worldmark 1, Aerocity, New Delhi-110037 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on March 31, 2023, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S.No.	Name of Director	DIN	Date of appointment in Company*
1.	Mr. Ajay Shridhar Shriram	00027137	24/07/1989
2.	Mr. Vikram Shridhar Shriram	00027187	22/05/1990
3.	Mr. Ajit Shridhar Shriram	00027918	02/05/2001
4.	Mr. Kuldeep Kumar Kaul	00980318	02/07/2014
5.	Mr. Krishan Kumar Sharma	07951296	20/11/2017
6.	Mr. Pradeep Dinodia	00027995	18/07/1994
7.	Mr. Vimal Bhandari	00001318	13/05/2003
8.	Mr. Sunil Kant Munjal	00003902	13/05/2003
9.	Mrs. Ramni Nirula	00015330	03/02/2015
10.	Justice (Retired) Vikramajit Sen	00866743	09/08/2016
11.	Mr. Pravesh Sharma	02252345	09/08/2016
12.	Mrs. Sarita Garg	08926869	20/10/2020

*The date of appointment is as per the MCA Portal.

Ensuring the eligibility of the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these, based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Rohit Parmar & Associates
Company Secretaries
Unique Code No.: S2021DE820800
 Rohit Parmar
 ACS No.: A54442; COP No. 22137
 Peer Review no.: 2122/2022
 UDIN: A054442E000232565

Date: 1st May, 2023
 Place: New Delhi

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To

The Board of Directors

DCM Shriram Limited

World Mark 1, 2nd Floor (West Wing)

Aerocity, New Delhi – 110037

1. This certificate is issued in accordance with the terms of our engagement letter dated September 20, 2022.
2. We, Deloitte Haskins & Sells, Chartered Accountants, the Statutory Auditors of DCM Shriram Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations (as amended) during the year ended March 31, 2023.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Deloitte Haskins & Sells

Chartered Accountants
(Firm's Registration No. 015125N)

Vijay Agarwal

(Partner)
(Membership No. 094468)
(UDIN:23094468BGYINY3199)

Place: Gurugram

Date: 2nd May, 2023

Independent Auditor's Report

To The Members of DCM Shriram Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of DCM Shriram Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its profit, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
<p>1. Impact of government policies/ notifications on recognition of subsidy accruals/claims and their recoverability</p> <p>During the year, the Company has recognized accruals/subsidy claims amounting to Rs. 1,775.88 crores (net) and as at March 31, 2023, the Company has receivables of Rs. 310.22 crores relating to such claims which is significant to standalone financial statements.</p> <p>We considered this to be a Key Audit Matter because recognition of accruals/claims and assessment of recoverability of the claims is subject to significant judgement of the management. The area of judgement includes certainty around the satisfaction of conditions specified in the notifications/policies, collections, provisions thereof, likelihood of variation in the estimation of the related computation rates and the final notification, and basis for determination of accruals/claims.</p> <p>(Refer to the accompanying notes 1.3(g)(ii), 1.4(vi)(b), 19 and 29 forming integral part of the standalone financial statements)</p>	<p>Principal audit procedures performed:</p> <ul style="list-style-type: none"> • Our audit approach consisted evaluation of design and implementation of controls, and testing the operating effectiveness of the internal controls over: <ul style="list-style-type: none"> - recognition of accruals/ claims; - Preparation and validation of the Subsidy schedule; - assessment of the recoverability of the claims. • We evaluated the management's assessment regarding reasonable certainty for complying with the relevant conditions as specified in the Notifications / policies and collections. • We considered the relevant notifications/policies issued by various authorities to ascertain the appropriateness of the recognition of accruals/claims, adjustments to claims already recognised pursuant to changes in the rates and basis for determination of claims. • We tested the ageing analysis and assessed the information used by the management to determine the recoverability of the claims by considering historical trends of collection against claims, the level of expected credit loss charged over time, provisions created and reversal thereof in the standalone financial statements. <p>Based on the above procedures performed, the management's estimates related to recognition of subsidy accruals/claim and their recoverability are considered to be reasonable.</p>

Independent Auditor's Report

Information Other than the Financial Statements and Auditor's Report Thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon.
- Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon
- In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional

judgment and maintain professional skepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's Report

Other Matter

The comparative financial information of the Company for the year ended March 31, 2022 prepared in accordance with Ind AS included in these standalone financial statements have been audited by the predecessor auditor. The report of the predecessor auditor on the comparative financial information dated May 05, 2022 expressed an unmodified opinion.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note 28 to the standalone financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on derivative contracts. The Company did not have any long-term contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 35 to the financial statements no funds have been advanced or loaned or invested (either from

borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (b) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
 - v. The final dividend proposed in the previous year, declared, and paid by the Company during the year is in accordance with section 123 of the Act, as applicable. The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with section 123 of the Act.
As stated in note 52 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend proposed is in accordance with section 123 of the Act, as applicable.
 - vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No.015125N)

Vijay Agarwal
(Partner)
(Membership No. 094468)
UDIN: 23094468BGYINX8467

Place: New Delhi
Date: May 02, 2023

Independent Auditor's Report

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT (Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of DCM Shriram Limited ("the Company") as of March 31, 2023, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls with reference to standalone financial statements based on "the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

A company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to standalone financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No.015125N)

Vijay Agarwal
(Partner)
(Membership No. 094468)
UDIN: 23094468BGYINX8467

Place: New Delhi
Date: May 02, 2023

Independent Auditor's Report

Annexure B to the Independent Auditors' Report

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment, capital work-in-progress, investment properties and relevant details of right-of-use assets.
- B. The Company has maintained proper records showing full particulars of intangible assets.
- (b) The Company has a program of verification of Property, Plant and Equipment and right-of-use assets so to cover all the items once every 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) Based on the examination of the registered sale deed / transfer deed provided to us, we report that, the title deeds of all the immovable properties of land and buildings (except for in case where such immovable properties have been transferred pursuant to the scheme of amalgamation under section 391 to 394 of the Companies Act, 1956, the transfer is through the Order of the Hon'ble High Courts and where the Company is the lessee and the lease agreements are duly executed in favour of the Company) disclosed in the financial statements included in property, plant and equipment, investment properties and non-current assets held for sale are held in the name of the Company as at the balance sheet date, except in the case of an immovable property of the Company as listed below whose title deeds is under dispute:

- (d) The Company has not revalued any of its property, plant and equipment including Right of Use assets and intangible assets during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The inventories except for goods-in-transit and stocks held with third parties, were physically verified during the year by the Management at reasonable intervals. In our opinion and based on information and explanations given to us, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. Majority of confirmations has been received for stocks held with third parties at the year-end in respect of goods in transit, majority of the goods have been received subsequent to the year end. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories performed, when compared with the books of account.
- (b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, at points of time during the year, from banks on the basis of security of current assets. In our opinion and according to the information and explanations given to us, the quarterly returns or statements comprising stock statements, book debt statements and other stipulated financial information filed by the Company with such banks are in agreement with the unaudited books of account of the Company of the respective quarters.
- (iii) The Company has made investments in seven companies and granted unsecured loans to one company and other parties during the year, in respect of which:

Description of property	As at March 31, 2023	Held in the name of	Whether promoter, director or their relative or employee	Period held	Reason for not being held in the name of the Company
	Gross carrying value (Rs. in Cr.)				
Freehold land located at Plot No. 39, Phase-I, I.P, Pashamylaram, Hyderabad admeasuring 20,378 sq mtr.	1.56	Andhra Pradesh Industrial Infrastructure Corporation Limited (now Telangana State Industrial Infrastructure Corporation[TSIIC])	No	16 years (since February 5, 2007)	In dispute*

*The Company has filed a writ petition before High Court of Telangana against cancellation of provisional allotment of the Land by TSIIC. The High Court has provided an interim stay against cancellation.

Independent Auditor's Report

(a) The Company has provided loans during the year and details of which are given below:

Particulars	Amount (Rs. in cr.)
A. Aggregate amount of loan granted during the year:	
- Subsidiaries	12.03
- Others	2.25
B. Balance outstanding as at balance sheet date in respect of above cases:*	
- Subsidiaries	8.40
- Others	18.02

* The amounts reported are at gross amounts and no provisions made during the year.

The Company has not provided any guarantee or security to any other entity during the year.

- (b) The investments made and the terms and conditions of the grant of all the above-mentioned loans, during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
- (c) In respect of the abovementioned loans granted by the Company, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amounts and receipts of interest are regular as per stipulation.
- (d) According to information and explanations given to us and based on the audit procedures performed, in respect of loans granted and advances in the nature of loans provided by the Company, there is no overdue amount remaining outstanding as at the balance sheet date.
- (e) During the year, loans aggregating to Rs. 20.90 crores has fallen due from Bioseed Holding PTE Limited (wholly owned subsidiary), which was extended and subsequently converted into equity shares during the year. Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year is 60.8%.
- (f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause (iii) (f) is not applicable.

(iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted, investments made and guarantees, and securities provided, as applicable.

(v) In our opinion the Company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted and amounts deemed to be deposits accepted. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.

(vi) The maintenance of cost records has been specified by the Central Government under section 148(1) of the Companies Act, 2013 in respect of its following products: Sugar, Cement, Fertilisers, Chemicals, Polyvinyl Chloride (PVC) resin, Unplasticized Polyvinyl Chloride (UPVC) doors and windows and electrical energy businesses. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013, and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the Company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (A) In respect of statutory dues:

Undisputed statutory dues, including Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Customs, duty of Excise, cess and other material statutory dues applicable to the Company have been regularly deposited by it with the appropriate authorities in all cases during the year.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Customs, duty of Excise, cess and other material statutory dues in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

Independent Auditor's Report

(B) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2023 on account of disputes are given below:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Unpaid Amount #
Central Excise Act, 1944	Excise Duty	Customs, Excise and Service Tax Appellate Tribunal	2002-03, 2015-16 to 2017-18	3.32
Central Excise Act, 1944	Excise Duty	Appellate authority upto Commissioner's level	2007-08, 2008-09, 2015-16	0.43
Finance Act, 1994	Service Tax	Customs, Excise and Service Tax Appellate Tribunal	2015-16	0.04
Finance Act, 1994	Service Tax	Appellate authority upto Commissioner's level	2016-17	0.21
Sales Tax Laws	Sales Tax	Sales Tax Tribunal	2011-12	0.12
Sales Tax Laws	Sales Tax	Rajasthan Tax Board	2011-12	-
Sales Tax Laws	Sales Tax	Appellate authority upto Commissioner's level	2007-08, 2016-17, 2017-18	0.97
Customs Tax Act, 1962	Customs duty	Customs, Excise and Service Tax Appellate Tribunal	2012-13	9.20
Customs Tax Act, 1962	Customs duty	Appellate authority upto Commissioner's level	2020-21 to 2021-22	0.36

The following matters have been decided in favour of the Company although departments have preferred appeal at higher levels:

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Unpaid Amount #
Central Excise Act, 1944	Excise Duty	High Court	2005-06, 2008-09	3.41
Finance Act, 1994	Service Tax	Supreme Court	2008-09 to 2012-13	31.66
Sales Tax Laws	Sales Tax	Supreme Court	2000-01, 2003-04	16.75
Trade Tax	Entry Tax	High Court	2004-05 to 2006-07	0.85
Income Tax Act, 1961	Income Tax	High Court	2001-02	1.99

Net of amount paid under protest amounting to Rs. 0.04 Cr, Rs. 0.57 Cr, Rs. 0.65 Cr relating to Excise duty, Sales Tax and custom duty respectively.

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained.
- (d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate.
- (x) (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause (x)(a) of the Order is not applicable.

Independent Auditor's Report

- (b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.
- (xi) (a) To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- (b) To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) As represented to us by the Management, there were no whistle blower complaints received by the Company during the year (and upto the date of this report).
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) (a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- (b) We have considered, the internal audit reports issued to the Company during the year and covering the period upto March 2023.
- (xv) In our opinion during the year the Company has not entered into any non-cash transactions with any of its directors or directors of it's holding company, subsidiary companies, associate company or persons connected with such directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b) and (c) of the Order is not applicable.
- (b) The Group does not have more than one CIC as part of the group.
- (xvii) The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year.
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) The Company has fully spent the required amount towards Corporate Social Responsibility (CSR) in respect of other than ongoing projects and there are no unspent CSR amount for the year requiring a transfer to a Fund specified in Schedule VII to the Companies Act or special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause (xx)(a) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the Company has transferred unspent Corporate Social Responsibility (CSR) amount, to a Special account before the date of this report and within a period of 30 days from the end of the financial year in compliance with the provision of section 135(6) of the Act.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No.015125N)

Vijay Agarwal
(Partner)
(Membership No. 094468)
UDIN: 23094468BGYINX8467

Place: New Delhi
Date: May 02, 2023

Standalone Balance Sheet

As At March 31, 2023

	Note	As at March 31, 2023 Rs. Crores	As at March 31, 2022 Rs. Crores
ASSETS			
Non-current assets			
Property, plant and equipment (Including Right of use assets)	2.1	3,969.82	3,274.53
Capital work -in- progress	2.1	1,602.42	485.53
Investment property	2.2	0.40	0.40
Intangible assets	2.3	11.63	11.55
Intangible assets under development	2.3	11.84	9.24
Financial assets			
Investments	3.1	347.07	98.59
Loans	3.2	22.13	23.44
Other financial assets	3.3	42.85	32.56
Other non-current assets	5	189.42	225.94
Total non-current assets		6,197.58	4,161.78
Current assets			
Inventories	6	2,329.48	2,246.68
Financial assets			
Trade receivables	7.1	790.20	853.95
Cash and cash equivalents	7.2	393.54	874.90
Bank balances other than cash and cash equivalents	7.3	520.99	675.17
Loans	7.4	4.29	137.02
Other financial assets	7.5	36.07	35.21
Current tax assets (net)	8	117.44	44.16
Other current assets	9	294.67	227.77
Total current assets		4,486.68	5,094.86
Assets classified as held for sale	10	23.32	41.44
Total assets		10,707.58	9,298.08
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	31.35	31.35
Other equity	12	6,237.18	5,494.74
Total equity		6,268.53	5,526.09
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13.1	1,153.74	951.34
Lease liabilities		59.56	54.70
Other financial liabilities	13.2	0.03	0.05
Provisions	14	260.92	250.95
Deferred tax liabilities (net)	4	467.22	214.50
Other non-current liabilities	15	6.33	4.53
Total non-current liabilities		1,947.80	1,476.07
Current liabilities			
Financial liabilities			
Borrowings	16.1	480.69	553.28
Lease liabilities		12.70	11.93
Trade payables	16.2		
- total outstanding dues of micro enterprises and small enterprises		40.64	35.83
- total outstanding dues of creditors other than micro enterprises and small enterprises		908.40	873.23
Other financial liabilities	16.3	413.71	227.91
Other current liabilities	17	558.41	520.79
Provisions	18	60.37	55.08
Total current liabilities		2,474.92	2,278.05
Liabilities associated with assets classified as held for sale		16.33	17.87
Total equity and liabilities		10,707.58	9,298.08

The accompanying notes form an integral part of the standalone financial statements

In terms of our report attached

For Deloitte Haskins & Sells

Firm Registration Number: 015125N

Chartered Accountants

For and on behalf of the Board of Directors

Vijay Agarwal
PartnerSameet Gambhir
Company Secretary
Place: New DelhiAmit Agarwal
Chief Financial Officer
Place: New DelhiPradeep Dinodia
Director
DIN: 00027995
Place: New DelhiAjay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137
Place: New Delhi

Membership No. 094468

Place: New Delhi
Date: May 02, 2023

Statement of Standalone Profit and Loss

For The Year Ended March 31, 2023

	Note	Year ended March 31, 2023 Rs. Crores	Year ended March 31, 2022 Rs. Crores
(a) Revenue from operations	19	11,811.51	9,676.55
(b) Other income	20	175.38	93.89
Total income		11,986.89	9,770.44
Expenses			
(c) Cost of materials consumed		4,660.25	3,889.40
(d) Purchases of stock-in-trade		852.20	838.83
(e) Changes in inventories of finished goods, stock-in-trade and work-in-progress	21	(13.32)	(385.86)
(f) Excise duty		532.53	221.98
(g) Employee benefits expense	22	874.48	772.29
(h) Finance costs	23	52.65	85.07
(i) Depreciation and amortisation expense	24	255.97	234.53
(j) Power and fuel		2,090.72	1,535.46
(k) Other expenses	25	1,226.92	1,039.18
Total Expenses		10,532.40	8,230.88
Profit before tax		1,454.49	1,539.56
(l) Tax expense	26		
- Current tax		228.49	269.68
- Deferred tax		259.71	224.16
- Tax adjustments related to income from subsidiary (Refer note 35(b))		18.56	-
(m) Tax adjustments related to earlier years			
- Current tax		-	(1.22)
- Deferred tax		(13.76)	(1.81)
Total tax expense		493.00	490.81
Profit after tax		961.49	1,048.75
Other comprehensive income			
(i) Items that will not be re-classified to profit or loss:			
- Remeasurements of defined benefit obligation		0.45	0.81
Income tax relating to items that will not be re-classified to profit or loss		(0.16)	(0.28)
(ii) Items that may be re-classified to profit or loss:			
- Effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge		18.91	(13.75)
Income tax relating to items that may be re-classified to profit or loss		(6.61)	4.81
Total other comprehensive income (net of tax)		12.59	(8.41)
Total comprehensive Income		974.08	1,040.34
Profit before interest, depreciation and tax (EBIDTA)		1,763.11	1,859.16
Earnings per equity share-basic/diluted (Rs.) (Face value Rs 2 per share) 27		61.66	67.25

The accompanying notes form an integral part of the standalone financial statements

In terms of our report attached

For Deloitte Haskins & Sells

Firm Registration Number: 015125N

Chartered Accountants

For and on behalf of the Board of Directors

Vijay Agarwal
PartnerSameet Gambhir
Company Secretary
Place: New DelhiAmit Agarwal
Chief Financial Officer
Place: New DelhiPradeep Dinodia
Director
DIN: 00027995
Place: New DelhiAjay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137
Place: New Delhi

Membership No. 094468

Place: New Delhi
Date: May 02, 2023

Statement of Standalone Changes In Equity For The Year Ended March 31 , 2023

Rs. Crores									
	Equity Share Capital	Other Equity						Total Other Equity	Total Equity
		Reserves and Surplus					Other comprehensive income		
		Capital redemption reserve	Storage fund for molasses account	General Reserve	Surplus in Statement of profit and loss	Shares held by Trust under ESPS Scheme	Cash flow hedging reserve		
As at April 1, 2021	31.35	10.40	1.96	616.03	4,039.66	(5.90)	(0.68)	4,661.47	4,692.82
Profit for the year	-	-	-	-	1,048.75	-	-	1,048.75	1,048.75
Remeasurement of defined benefit obligation (net of tax)	-	-	-	-	0.53	-	-	0.53	0.53
Effective portion of gain and losses on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	-	-	-	-	-	(8.94)	(8.94)	(8.94)
Total comprehensive income for the year	-	-	-	-	1,049.28	-	(8.94)	1,040.34	1,040.34
Movements related to employees stock purchase scheme	-	-	-	3.19	-	-	-	3.19	3.19
Dividend on shares held by ESPS trust	-	-	-	-	1.37	-	-	1.37	1.37
Dividends on equity shares (Rs 13.60 per equity share)	-	-	-	-	(212.08)	-	-	(212.08)	(212.08)
Shares granted to employees under ESPS	-	-	-	-	-	0.45	-	0.45	0.45
Transfer to/(from) storage fund for molasses	-	-	0.60	-	(0.60)	-	-	-	-
As at March 31, 2022	31.35	10.40	2.56	619.22	4,877.63	(5.45)	(9.62)	5,494.74	5,526.09
Profit for the year	-	-	-	-	961.49	-	-	961.49	961.49
Remeasurement of defined benefit obligation (net of tax)	-	-	-	-	0.29	-	-	0.29	0.29
Effective portion of gain and losses on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	-	-	-	-	-	12.30	12.30	12.30
Total comprehensive income for the year	-	-	-	-	961.78	-	12.30	974.08	974.08
Movements related to employees stock purchase scheme	-	-	-	5.01	-	-	-	5.01	5.01
Dividend on shares held by ESPS trust	-	-	-	-	1.85	-	-	1.85	1.85
Dividends on equity shares (Rs 15.30 per equity share)	-	-	-	-	(238.59)	-	-	(238.59)	(238.59)
Shares granted to employees under ESPS	-	-	-	-	-	0.09	-	0.09	0.09
Transfer to/(from) storage fund for molasses	-	-	0.19	-	(0.19)	-	-	-	-
As at March 31, 2023	31.35	10.40	2.75	624.23	5,602.48	(5.36)	2.68	6,237.18	6,268.53

The accompanying notes form an integral part of the standalone financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Firm Registration Number: 015125N
Chartered Accountants

For and on behalf of the Board of Directors

Vijay Agarwal
Partner

Sameet Gambhir
Company Secretary
Place: New Delhi

Amit Agarwal
Chief Financial Officer
Place: New Delhi

Pradeep Dinodia
Director
DIN: 00027995
Place: New Delhi

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137
Place: New Delhi

Membership No. 094468

Place: New Delhi
Date: May 02, 2023

Standalone Cash Flow Statement

For The Year Ended March 31, 2023

	Year ended March 31, 2023 Rs. Crores	Year ended March 31, 2022 Rs. Crores
A. Cash flow from operating activities		
Net profit after tax:	961.49	1,048.75
Adjustments for :		
Income tax expense recognized in profit or loss	493.00	490.81
Depreciation and amortization expense	255.97	234.53
Net gain on financial assets and liquid investments	(26.61)	(30.13)
(Profit) on sale of property, plant and equipment (including assets held for sale) (net)	(11.37)	(8.45)
Bad debts, advances, other debts and deposits written off	0.34	0.55
(Reversal)/Provision for credit impaired receivables (net)	(0.66)	7.43
Provision for credit impaired loans and advances (net)	0.42	0.15
Provision for credit impaired other financial assets (net)	-	0.10
Provision for diminution in value of long term investments	0.88	-
(Reversal) for impairment in value of assets (including assets held for sale)	(0.21)	(4.06)
Finance costs	52.65	85.07
Interest income	(109.25)	(38.78)
Operating profit before working capital changes	1,616.65	1,785.97
Changes in operating assets and liabilities:		
Decrease/(Increase) in Trade receivables	64.07	(360.39)
Decrease/(Increase) in Loans and advances	0.68	(6.91)
(Increase) / Decrease in Other financial assets	(6.10)	210.60
(Increase) in Inventories	(82.80)	(484.81)
(Increase) in Other current/non-current assets	(65.93)	(79.30)
Increase in Trade payables	39.82	240.58
Increase in Provisions	15.71	5.11
Increase in Other financial liabilities	5.19	45.16
Increase in Other current/non-current liabilities	39.42	116.33
Cash generated from operations	1,626.71	1,472.34
Income taxes paid (net of refunds)	(320.33)	(271.61)
Net cash from operating activities	1,306.38	1,200.73
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(1,766.44)	(750.00)
Purchase of intangible assets	(6.33)	(6.71)
Decrease/ (Increase) in Bank deposits and current account balances with banks	27.93	(77.32)
(Earmarked for unpaid dividend, margin money and deposit with banks for specific purpose)		
Decrease/(Increase) in Callable bank deposits (having original maturity more than 3 months)	118.90	(126.82)
Sale of property, plant and equipment	14.33	11.64
Proceeds from asset held for sale	29.69	38.16
Repayment of Loans from subsidiary companies (net)	112.22	0.25
Interest received	126.37	29.16
Profit on sale of investments	26.61	19.53
Purchase of equity shares of joint venture (refer note 35)	-	(23.80)
Investment in equity shares of an Associate	(8.68)	-
Investment in shares of subsidiaries	(233.54)	-
Net cash used in investing activities	(1,558.94)	(885.91)
C. Cash flow from financing activities		
Proceeds from Long term borrowings	431.80	239.18
(Repayment) of Long term Borrowings	(205.15)	(365.02)
Proceeds/(Repayment) from/of Short term borrowings	(115.00)	163.50
(Repayment) of loans repayable on demand from banks	-	(0.72)
Dividends paid	(238.59)	(212.08)
Principal payment of lease liabilities (refer note 34)	(14.27)	(16.94)
Interest paid on lease liabilities (refer note 34)	(5.74)	(5.38)
Finance costs paid	(81.85)	(82.94)
Net cash used in financing activities	(228.80)	(280.40)
Net (decrease) / increase in cash and cash equivalents	(481.36)	34.42
Cash and cash equivalents at the beginning of the year (excluding callable bank deposits)	874.90	840.48
Cash and cash equivalents at the end of the year (excluding callable bank deposits)	393.54	874.90
Note: Cash flow statements are prepared in accordance with 'indirect method' as per IndAS 7 - 'Statement of Cash Flows'		
Reconciliation of cash and cash equivalents as per the Cash flow statement		
Cash and cash equivalents as per above comprise of the following:		
Cash and cash equivalents (refer note 7.2)	393.54	874.90
Balances as per statement of cash flows	393.54	874.90

The accompanying notes form an integral part of the above cash flow statements

In terms of our report attached

For Deloitte Haskins & Sells

Firm Registration Number: 015125N

Chartered Accountants

For and on behalf of the Board of Directors

Vijay Agarwal
PartnerSameet Gambhir
Company Secretary
Place: New DelhiAmit Agarwal
Chief Financial Officer
Place: New DelhiPradeep Dinodia
Director
DIN: 00027995
Place: New DelhiAjay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137
Place: New Delhi

Membership No. 094468

Place: New Delhi
Date: May 02, 2023

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

1.1 Company Overview

DCM Shriram Limited ('the Company') is a public limited company incorporated in India. The Holding company, Sumant Investments Private Limited owns 63.03% of equity share capital of the Company. The registered office of the Company is at 2nd Floor (West Wing), World Mark 1, Aerocity, New Delhi - 110037, India.

The financial statements have been approved by Board of Directors in their board meeting dated May 02, 2023.

The business portfolio of the Company comprises of

- Chloro-Vinyl
- Sugar
- Shriram Farm Solutions
- Bioseed
- Fertilisers
- Fenesta Building Systems
- Others: (Cement and Hariyali Kisaan Bazaar)

The Company has presence in various parts of India and its principal place of businesses together with major products are as under:

Business (Products)	Principal places
Chloro- Vinyl (Poly-vinyl chloride, carbide and chlor alkali)	Kota (Rajasthan) and Bharuch (Gujarat)
Sugar (Sugar, molasses ethanol and power)	Ajbapur, Rupapur, Hariawan and Loni at Uttar Pradesh
Shriram Farm Solutions (Trading of agri inputs)	Distribution Network across India
Bioseed (Hybrid seeds)	Hyderabad
Fertilisers (Urea)	Kota (Rajasthan)
Fenesta Building Systems (Windows and doors)	Kota and Bhiwadi (Rajasthan), Chennai (Tamilnadu), Hyderabad (Telengana), Bhubaneswar (Odisha)
Cement (Cement)	Kota (Rajasthan)
Hariyali Kisaan Bazaar (Fuel)	Fuel outlets at various parts of India

1.2 Basis of preparation of financial statements

The Financial Statements are prepared on an accrual basis under historical cost Convention except for certain financial instruments which are measured at fair value. These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ("The Act") and other relevant provisions of the Act, as applicable.

1.3 Significant accounting policies

a) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost of acquisition or construction is inclusive of freight, duties, taxes, other directly attributable incidental expenses and gains or losses on effective portion of cash flow hedges related to purchase in

foreign currency and interest on loans attributable to the acquisition or construction of assets up to the date of commissioning of assets. On the date of transition to Ind AS i.e. April 1, 2015, the Company has opted to measure all of its property, plant and equipment at their previous Generally Accepted Accounting Principles net carrying value and use that net carrying value as its deemed cost.

The Company is following straight line method of depreciation in respect of buildings, plant and equipment and written down value method in respect of other assets.

Depreciation on all tangible assets is provided on the basis of estimated useful life and residual value determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc., which coincides with the useful life as prescribed under Schedule II of the Companies Act 2013 except for certain items of Plant and Equipment.

(i) Estimated useful lives:

Asset	Useful life
Buildings:	
- Roads	3-10 years
- Other than roads	30-60 years
Leasehold improvements	5-10 Years
Plant and equipment used in generation, transmission and distribution of power	25-40 years
Plant and equipment (other than used in generation, transmission and distribution of power)	3-40 years
Furniture and fixtures	8-10 Years
Office equipments	5 Years
Vehicles	8-10 Years

(ii) Estimated residual value:

Asset	Residual value
Certain electrical equipment	10%
Other assets	0-5%

Depreciation is calculated on a pro-rata basis from the date of additions, except in cases of assets costing up to Rs. 5000 each, where each asset is fully depreciated in the year of purchase. On assets sold, discarded etc. during the year, depreciation is provided up to the date of sale/discard.

b) Intangible assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment loss, if any. Cost of acquisition is inclusive of duties, taxes, consultancy and other directly attributable incidental expenses.

On the date of transition to Ind AS i.e. April 1, 2015, the Company has opted to measure all of its intangible assets at their previous Generally Accepted Accounting Principles net carrying value and

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

use that net carrying value as its deemed cost.

Amortization of intangibles is provided on straight line basis over its estimated useful lives as follows:

Technical know-how	10 years
Software	5 years

On assets sold, discarded etc. during the year, amortization is provided up to the date of sale/discard.

c) Investment property

Investment property are stated at cost less accumulated depreciation and impairment loss, if any.

Cost of acquisition or construction is inclusive of duties, taxes and incidental expenses and interest on loans attributable to the acquisition/construction of properties up to the date of Commissioning.

On the date of transition to Ind AS i.e. April 1, 2015, the Company has opted to measure all of its investment properties at their previous Generally Accepted Accounting Principles net carrying value and use that net carrying value as its deemed cost.

The Company is following straight line method of depreciation in respect of buildings. Depreciation on buildings is provided on the basis of useful life and residual value estimated by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset etc. The estimated useful life of building is 58-60 years and estimated residual value is 5%.

d) Assets held for sale

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount (cost less accumulated depreciation, if any) on the date of transfer to assets held for sale and fair value assessed on annual basis. Gain for any subsequent increase in fair value less cost to sale of an asset is recognised only upto the extent of cumulative impairment loss that has been recognized.

e) Leases

Company as a lessee

The Company at the commencement date recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets in accordance with IndAS 116 'Leases'. The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs etc.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease

term or useful life of right-of-use assets.

For lease liabilities at the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease income as and when due as per terms of agreements. The respective leased assets are included in the financial statements based on their nature. The Company did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

f) Inventories

Inventories, other than By-products, are valued at lower of cost (determined on weighted average basis) and net realisable value. The bases for determining cost for different categories of inventory are as under:

Stores & spares, raw materials and stock-in-trade	Cost of purchases (including other cost incurred in bringing inventory to its present location and condition)
Work in-Progress finished goods	Direct Cost (including material, labour etc), conversion cost and appropriate share of overheads. The costs allocation between the joint products is carried out based on technical estimates

By-products are valued at estimated net realisable value

g) Revenue recognition

- Sales are recognized, at transaction price as per agreements with the customers, net of returns and other variable consideration on account of trade discounts and volume discounts, if any, on satisfaction of performance obligation by transfer of effective control of the promised goods to the customers, which coincides with dispatch/ delivery to customers, as applicable. Sales include excise duty but excludes sales tax, value added tax and goods and service tax.
- Under the retention pricing scheme, the Government of India reimburses to the fertilizer industry, the difference between the retention price based on the cost of production and selling price (as realized from the farmers) as fixed by the Government from time to time, in the form of subsidy. The effect of variation in input costs/expenses on retention price yet to be notified is accounted for by the Company as income for the year based on its ultimate collection with reasonable degree of certainty at the time of accrual.

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

h) Government grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

Government grants are recognized where there is reasonable assurance that the Company will comply with the conditions attached to it and that the grants will be received.

Grants are presented as part of income in the statement of profit and loss; alternatively they are deducted in reporting the related expense.

The benefit of a government loan at a below market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on the prevailing market interest rates.

i) Employee benefits

(i) Defined contribution plans

Company's contribution paid/payable during the year to provident fund, superannuation fund and employees' state insurance corporation are recognized in the statement of profit and loss. For the Provident Fund Trust administered by the Company, it is liable to meet the shortfall, if any, in payment of interest at the rates declared by the Central Government, and such liability is recognized in the year of shortfall.

(ii) Defined benefit plans

The liability recognized in respect of gratuity is the present value of defined benefit obligation at the end of the reporting period less the fair value of plan assets, where applicable. The Company makes contribution to the LIC for Employees Gratuity Scheme in respect of employees of one of the division. The defined benefit obligation is calculated annually by actuary using the Projected Unit Credit Method. Re-measurement comprising actuarial gains and losses and return on plan assets (excluding net interest) are recognized in the other comprehensive income for the period in which they occur and is not reclassified to profit or loss.

(iii) Compensated absences

Provision for earned leave and medical leave is determined on an actuarial basis at the end of the year and is charged to the statement of profit and loss each year. Actuarial gains and losses are recognized in the statement of profit and loss for the period in which they occur.

(iv) Share based payments

Equity settled share based payments to employees under DCM Shriram Employees Stock Purchase Scheme (ESPS) are measured at the Fair value (which equals to Market price less

exercise price) of the equity instruments at grant date. Fair value determined at the grant date is expensed on a straight line basis over the vesting period.

j) Foreign currency transactions

The functional currency of the Company is Indian rupee. Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction.

Monetary items (i.e. receivables, payable, loans etc) denominated in foreign currency are reported using the closing exchange rate on each reporting date.

The exchange difference arising on the settlement of monetary items or on reporting these items at rates different from rates at which these were initially recorded/reported in previous financial statements are recognized as income/expense in the period in which they arise except for exchange difference on foreign currency borrowings relating to asset under construction for future use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings.

k) Financial instruments

Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial asset or financial liabilities, as appropriate, on initial recognition. However, trade receivables do not contain a significant financing component and are measured at transaction price.

Subsequent measurement:

A. Non-derivative financial instruments

(i) **Financial assets carried at amortised cost** : A financial asset is subsequently measured at amortised cost if it is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

(ii) **Financial assets carried at fair value through other comprehensive income (FVTOCI)**

The Company has made an irrevocable election for its investments which are classified as equity instruments (Other than Investment in Subsidiaries, Joint Venture and Associates) to present the subsequent changes in fair value in other comprehensive income.

(iii) **Investment in subsidiaries and Joint Venture**: Investment in equity instruments of subsidiaries and joint venture is carried at cost less impairment, if any, in the separate financial statements.

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

(iv) Financial assets carried at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss.

(v) Financial liabilities: Financial liabilities are subsequently measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

B. Derivative financial instruments: The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The Company also holds swaps to mitigate interest rate risks. The counterparty for these contracts is generally a bank.

(i) Cash flow hedge: The effective portion of changes in the fair value of the hedging instruments is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Such amounts are reclassified in to the statement of profit or loss when the related hedge items affect profit or loss except in respect of inventories and property, plant and equipment where such changes are adjusted to their cost.

Any ineffective portion of changes in the fair value of the derivative or if the hedging instrument no longer meets the criteria for hedge accounting, is recognized immediately in the statement of profit and loss.

(ii) Fair Value Hedge: Changes in fair value of derivatives including forward exchange contracts that qualify as fair value hedge are recognized in profit or loss.

(iii) Financial instruments at fair value through profit or loss:

This category has derivative financial instruments which are not designated as hedges.

Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial instruments at fair value through profit or loss

De-recognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

l) Impairment

i) Financial assets

The Company recognizes loss allowances using the expected credit loss for the financial assets which are not measured at fair value through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

ii) Non-financial assets:

Tangible and intangible assets

Property, plant and equipment and intangible assets are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit or loss. The Company review/assess at each reporting date if there is any indication that an asset may be impaired.

m) Income taxes

The Income-tax liability is provided in accordance with the provisions of the Income-tax Act, 1961. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Income tax and deferred tax are measured on the basis of the tax rates and tax laws enacted or substantively enacted at the end of the reporting period and are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the income tax and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

n) Provisions

Provisions for claims including litigations are recognised when the Company has a present obligation as a result of past events, in the year when it is established by way of orders of court or government notifications etc. that it is probable that an outflow of resources will be required to settle the obligations and the amount can be reasonably estimated. The provision including any subsequent adjustments are accounted for in the same expenditure line item to which the claim pertains.

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

1.4 Use of estimates

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of asset and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the period presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future are:

- i) **Useful lives and residual value of property, plant and equipment, intangible assets and Investment Properties:** Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc and same is reviewed at each financial year end.
- ii) **Leases:** The Company determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives.
The discount rate is generally based on the incremental borrowing rate. To determine the incremental borrowing rate, the Company uses recent third-party financing received by the Company, adjusted to lease term etc, specific to the lease being evaluated.

- iii) **Impairment of investments:** The Company reviews the carrying value of long term investments in equity/preference shares of subsidiaries, joint venture and other companies carried at cost/amortized cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- iv) **Income tax:** For computing the income-tax provision as at the year end, the Company continues to estimate profits pertaining to its captive power units eligible for deduction u/s 80-IA of the Income-tax Act (the Act), as in the previous years. Based on the recent judgements, the Company has preferred enhanced claim of deduction available u/s 80-IA of the Act, wherever permissible under the Act including for the earlier financial years for the purpose of filing Income tax return.
- v) **Deferred tax assets:** The Company reviews the carrying amount of deferred tax assets including Minimum alternate tax credit at the end of each reporting period and reduces to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
- vi) **Revenue:**
 - a) **Provision of Sales Returns, Warranties and Discounts:** Provision for Sales Returns, Warranties and Discounts are estimated based on past experience, market conditions and announced schemes.
 - b) **Claims from 'Fertiliser Industry Coordination Committee' (FICC), Government of India:** The Company takes revenue credits for urea subsidy claims, which are pending notification/ final acceptance by 'Fertiliser Industry Coordination Committee' (FICC), Government of India, in pursuance of the Retention Price Scheme administered for nitrogenous fertilisers, when as per judgment of the Company, there is reasonable certainty based on Policy and past experience that claims will be notified in due course (also refer note 29).
- vii) **Provision for gratuity and compensated absences:** The provision for gratuity and compensated absences are based on actuarial valuation using the projected unit credit method. The Company uses actuarial assumptions to determine the obligation for employee benefit at each reporting period. These assumptions include the discount rate, salary escalation and employee turnover rate.

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

2.1 Property, plant and equipment

Rs. Crores

	Freehold Land	Buildings	Leasehold Improvements	Plant and Equipments	Furniture and Fixtures	Office Equipments	Right of use asset - Land	Right of use asset - Building	Vehicles	Total
Gross Carrying amount										
Balance as at April 1, 2021	54.77	461.10	7.03	3,253.47	12.43	25.94	15.05	95.14	67.93	3,992.86
Additions	8.46	27.52	-	186.29	4.20	6.12	7.90	18.34	26.90	285.73
Transferred to Assets held for sale	(1.73)	-	-	(0.97)	-	-	-	-	-	(2.70)
Transferred to Investment property (refer note 2.2)	-	(1.48)	-	-	-	-	(1.78)	-	-	(3.26)
Disposals	(0.46)	(0.75)	-	(35.18)	(0.94)	(1.59)	-	(15.98)	(14.16)	(69.06)
Balance as at March 31, 2022	61.04	486.39	7.03	3,403.61	15.69	30.47	21.17	97.50	80.67	4,203.57
Additions	17.06	53.25	-	743.97	3.11	6.73	75.10	21.73	42.67	963.62
Disposals	(0.05)	(0.52)	-	(34.21)	(0.94)	(1.31)	-	(5.94)	(24.14)	(67.11)
Balance as at March 31, 2023	78.05	539.12	7.03	4,113.37	17.86	35.89	96.27	113.29	99.20	5,100.08
Accumulated Depreciation										
Balance at April 1, 2021		70.48	4.73	580.01	6.91	17.72	0.85	31.65	43.48	755.83
Depreciation charge for the year		18.16	0.55	174.99	1.85	4.93	0.26	18.43	10.56	229.73
Transferred to Assets held for sale		-	-	(0.30)	-	-	-	-	-	(0.30)
Transferred to Investment property (refer note 2.2)		-	-	-	-	-	(0.33)	-	-	(0.33)
Disposals		(0.05)	-	(29.03)	(0.73)	(1.58)	-	(13.33)	(11.17)	(55.89)
Balance at March 31, 2022		88.59	5.28	725.67	8.03	21.07	0.78	36.75	42.87	929.04
Depreciation charge for the year		18.85	0.38	189.07	2.23	5.14	0.75	17.79	18.11	252.32
Disposals		(0.35)	-	(24.48)	(0.84)	(1.22)	-	(5.79)	(18.42)	(51.10)
Balance at March 31, 2023		107.09	5.66	890.26	9.42	24.99	1.53	48.75	42.56	1,130.26
Net carrying amount										
As at March 31, 2023	78.05	432.03	1.37	3,223.11	8.44	10.90	94.74	64.54	56.64	3,969.82
As at March 31, 2022	61.04	397.80	1.75	2,677.94	7.66	9.40	20.39	60.75	37.80	3,274.53
Capital work in progress										
[refer note 56(a)]										
As at March, 31, 2023										1,602.42
As at March 31, 2022										485.53

Footnotes:

1. Refer note 23 for information on borrowing costs capitalised during the year.
2. Refer note 28 (ii) for information on contractual commitments for acquisition of property, plant and equipment.
3. Refer note 34(ii) for information on property, plant and equipment where the Company is a lessor under operating lease.
4. Refer note 41 for information on property, plant and equipment pledged as security.
5. Freehold land includes Rs. 1.56 crores (March 31, 2022 - Rs 1.56 crores) pending registration in favour of the Company. Also refer note 53.

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2023

2.2 Investment property

			Rs. Crores
	Land (Including Right of use assets)	Buildings	Total
Gross Carrying amount			
Balance as at April 1, 2021	0.21	0.23	0.44
Transferred from Property, plant and equipment (refer note 2.1)	1.78	1.48	3.26
Disposals	(1.78)	(1.48)	(3.26)
Balance as at March 31, 2022	0.21	0.23	0.44
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2023	0.21	0.23	0.44
Accumulated Depreciation			
Balance at April 1, 2021	-	0.03	0.03
Depreciation charge for the year	-	0.03	0.03
Transferred from Property, plant and equipment	0.33	-	0.33
Disposals	(0.33)	(0.02)	(0.35)
Balance at March 31, 2022	-	0.04	0.04
Depreciation charge for the year	-	-	-
Disposals	-	-	-
Balance as at March 31, 2023	-	0.04	0.04
Net carrying amount			
As at March 31, 2023	0.21	0.19	0.40
As at March 31, 2022	0.21	0.19	0.40

Refer note 33 for other information relating to investment property

2.3 Intangible assets

			Rs. Crores
	Technical Know how	Software	Total
Gross carrying amount			
Balance as at April 1, 2021	3.93	54.66	58.59
Additions	-	3.24	3.24
Disposals	-	-	-
Balance as at March 31, 2022	3.93	57.90	61.83
Additions	-	3.73	3.73
Disposals	-	(0.60)	(0.60)
Balance as at March 31, 2023	3.93	61.03	64.96
Accumulated amortization			
Balance as at April 1, 2021	0.98	44.53	45.51
Amortization for the year	0.34	4.43	4.77
Disposals	-	-	-
Balance as at March 31, 2022	1.32	48.96	50.28
Amortization for the year	0.34	3.31	3.65
Disposals	-	(0.60)	(0.60)
Balance as at March 31, 2023	1.66	51.67	53.33
Net carrying amount			
As at March 31, 2023	2.27	9.36	11.63
As at March 31, 2022	2.61	8.94	11.55
Intangible assets under development¹			
As at March 31, 2023			11.84
As at March 31, 2022			9.24

1. Refer note 56(b)

2. Refer note 41 for information on intangible assets pledged as security.

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2023

	As at March 31, 2023 Rs. Crores		As at March 31, 2022 Rs. Crores	
3 NON-CURRENT FINANCIAL ASSETS				
3.1 Non-current investments				
(I) Investment in Equity Instruments				
(a) Subsidiaries (at cost)				
Unquoted				
Hariyali Rural Ventures Limited 10,00,000 (March 31, 2022: 10,00,000) equity shares of Rs 10 each fully paid up		1.00		1.00
Fenesta India Limited 50,000 (March 31, 2022: 50,000) equity shares of Rs 10 each fully paid up		0.05		0.05
Shriram Bioseed Ventures Limited 74,27,201 (March 31, 2022: 40,50,001) equity shares of Rs 10 each fully paid up	212.55*		20.05	
Less: Provision for impairment in value of investment	-	212.55	(20.05)	-
Bioseed Holding PTE Limited 94,475 (March 31, 2022: 94,475) Class A, Equity shares of USD 1 each, fully paid up	0.60		0.60	
116,00,000 (March 31, 2022: 116,00,000) Class B, Equity shares of USD 1 each, fully paid up	76.03		76.03	
1,38,42,105 (March 31, 2022: 138,42,105) Class B, Equity shares of USD 0.19 each, fully paid up	18.80		18.80	
2,56,10,000 (March 31, 2022: Nil) Class B, Equity shares of USD 0.10 each, fully paid up	20.90*		-	
	116.33		95.43	
Less: Provision for impairment in value of investment	(69.25)	47.08	(35.44)	59.99
DCM Shriram Credit and Investments Limited 60,01,208 (March 31, 2022: 60,01,208) equity shares of Rs 10 each, fully paid-up		0.22		0.22
DCM Shriram Aqua Foods Limited 83,51,207 (March 31, 2022: 83,51,207) equity shares of Rs 10 each, fully paid-up		4.22		4.22
Shridhar Shriram Foundation 50,000 (March 31, 2022: 50,000) equity shares of Rs 10 each, fully paid up		0.05		0.05
Bioseed India Limited 1,00,014 (March 31, 2022: 1,00,014) equity shares of Rs 10 each, fully paid up	0.10		0.10	
Less: Provision for impairment in value of investment	(0.05)	0.05	(0.05)	0.05
Shriram Polytech Limited 34,65,000 (March 31, 2022: 34,65,000) equity shares of Rs 10 each, fully paid-up		27.22		27.22
DCM Shriram ProChem Limited 10,000 (March 31, 2022: Nil) equity shares of Rs 10 each, fully paid-up		0.01		-
DCM Shriram Bio Enchem Limited 20,10,000 (March 31, 2022: Nil) equity shares of Rs 10 each, fully paid-up		40.01		-
DCM Shriram Ventures Limited 10,000 (March 31, 2022: Nil) equity shares of Rs 10 each, fully paid-up		0.01		-
Shriram Agsmart Limited 10,10,000 (March 31, 2022: Nil) equity shares of Rs 10 each, fully paid-up		1.01		-
		333.48		92.80
(b) Associates				
Unquoted (at fair value through profit and loss)				
ReNew Green (GJ Ten) Private Limited 78,90,909 (March 31, 2022: Nil) equity shares of Rs 10 each, fully paid up		8.68		-

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

	As at March 31, 2023 Rs. Crores	As at March 31, 2022 Rs. Crores
(c) Others		
Unquoted (at fair value through other comprehensive income)		
Narmada Clean Tech		
18,61,134 (March 31, 2022: 18,61,134) equity shares of Rs 10 each, fully paid up	1.85	1.85
(ii) Investment in Preference Shares - unquoted		
(a) Subsidiary (at amortized cost)		
DCM Shriram Infrastructure Limited		
10,00,000 (March 31, 2022: 10,00,000) 0.01% redeemable cumulative preference shares of Rs 10 each, Rs 10 paid up	0.88	0.88
Less: Provision for impairment in value of investment	<u>(0.88)</u>	<u>-</u>
		0.88
(b) Subsidiary (at cost)		
DCM Shriram Credit and Investments Limited		
30,00,000 (March 31, 2022: 30,00,000) 0.01% compulsorily convertible preference shares of Rs 10 each	3.00	3.00
(iii) Investment in Government securities		
Unquoted (at amortized cost)		
National savings certificates	0.06	0.06
(iv) Equity component of loan to subsidiary at concessional rate (at cost)		
- DCM Shriram Infrastructure Limited	11.45	11.45
Less: Provision for impairment in value of investment	<u>(11.45)</u>	<u>(11.45)</u>
		-
Total	347.07	98.59
Aggregate book value:		
- Unquoted	428.70	165.58
Aggregate provision for impairment of investments	81.63	66.99
Summary:		
- Investments carried at cost	336.48	95.80
- Investments carried at amortized cost	0.06	0.94
- Investments at fair value through profit and loss	8.68	-
- Investments at fair value through other comprehensive income	1.85	1.85
* Also refer note 35(b)		
NON-CURRENT FINANCIAL ASSETS		
3.2 Loans		
(unsecured considered good, unless otherwise stated)		
Loan to subsidiaries [refer note 31(b)]		
Considered good	8.40	7.77
Considered credit impaired	26.51	26.27
	<u>34.91</u>	<u>34.04</u>
Less: Provision for credit impaired loan	26.51	26.27
	<u>8.40</u>	<u>7.77</u>
Loan to employees		
Considered good ⁽ⁱ⁾	13.73	15.67
Considered credit impaired	-	0.74
	<u>13.73</u>	<u>16.41</u>
Less: Provision for credit impaired loan	-	0.74
	<u>13.73</u>	<u>15.67</u>
	<u>22.13</u>	<u>23.44</u>
(i) includes given to related parties [refer note 31(b)]		

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

	As at March 31, 2023 Rs. Crores	As at March 31, 2022 Rs. Crores
3.3 Other financial assets		
Interest accrued on loans, investments, deposits etc.	0.67	0.49
Fixed deposits with banks (earmarked)	9.13	1.78
Security deposits ⁽ⁱ⁾	33.05	30.29
	<u>42.85</u>	<u>32.56</u>
(i) includes given to related parties [refer note 31(b)]		
4 Deferred tax assets / (liabilities) (Net)		
[refer note 42(d)]		
Deferred tax assets:		
Minimum alternate tax (MAT) credit entitlement	-	185.20
Provision for gratuity and compensated absences	103.46	98.25
Provision for doubtful debts and advances	22.88	48.46
Others	27.02	17.45
	<u>153.36</u>	<u>349.36</u>
Deferred tax liabilities:		
Depreciation	620.58	563.86
	<u>620.58</u>	<u>563.86</u>
Deferred tax assets/(liabilities) (Net)	(467.22)	(214.50)
5 Other non-current assets		
Capital advances	176.85	219.33
Prepaid expenses	0.63	0.65
Others (includes amount deposited with Government authorities)	11.94	5.96
	<u>189.42</u>	<u>225.94</u>
CURRENT ASSETS		
6 Inventories⁽ⁱ⁾		
Raw materials	292.41	262.89
(includes goods in transit Rs.7.38 crores; March 31, 2022 - Rs. 5.33 crores)		
Work-in-progress	185.95	195.56
Finished goods	1,447.31	1,436.96
(includes goods in transit Rs.2.20 crores; March 31, 2022 - Rs. 9.38 crores)		
Stock-in-trade	112.46	97.72
Stores and spares	291.35	253.55
	<u>2,329.48</u>	<u>2,246.68</u>
(i) refer note 1.3(f) and note 41		
7 Financial assets		
7.1 Trade receivables⁽ⁱ⁾		
Unsecured - considered good	769.50	837.87
Unsecured - considered credit impaired	59.75	73.04
	<u>829.25</u>	<u>910.91</u>
Less: Provision for credit impaired receivables	59.75	73.04
Unbilled revenue	20.70	16.08
	<u>790.20</u>	<u>853.95</u>
(i) includes dues from related parties [refer note 31(b)] Also refer note 57 (b)		

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

	As at March 31, 2023 Rs. Crores	As at March 31, 2022 Rs. Crores
7.2 Cash and cash equivalents⁽ⁱ⁾		
Balances with banks in		
- current accounts	39.72	148.32
Cash on hand	0.39	0.38
Liquid investments - mutual funds	353.43	726.20
	<u>393.54</u>	<u>874.90</u>
(i) comprises cash at bank and at hand, short term deposits and liquid mutual funds that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value		
7.3 Bank balances other than cash and cash equivalents		
Balances with banks in		
- current accounts (earmarked) ⁽ⁱ⁾	10.19	9.06
- deposit accounts (earmarked) ⁽ⁱ⁾	56.80	93.21
- deposit accounts (more than 3 months but less than 12 months)	454.00	572.90
	<u>520.99</u>	<u>675.17</u>
(i) earmarked for unpaid dividend, margin money and deposit with banks for specific purpose		
7.4 Loans		
(Unsecured Considered good unless otherwise stated)		
Loan to employees	4.29	3.27
Loan to subsidiaries [refer note 31(b)]	-	133.75
	<u>4.29</u>	<u>137.02</u>
7.5 Other financial assets		
Interest accrued on loans, investment, deposits etc. ⁽ⁱ⁾		
Considered good	19.82	23.36
Considered doubtful	0.25	15.47
	<u>20.07</u>	<u>38.83</u>
Less: Provision for doubtful interest	0.25	15.47
	<u>19.82</u>	<u>23.36</u>
Other debts (includes claims from government authorities)		
Considered good	7.21	6.02
Considered doubtful	-	27.10
	<u>7.21</u>	<u>33.12</u>
Less: Provision for doubtful debts	-	27.10
	<u>7.21</u>	<u>6.02</u>
Security deposits ⁽ⁱ⁾		
Considered good	3.29	3.54
Considered doubtful	0.10	1.95
	<u>3.39</u>	<u>5.49</u>
Less: Provision for doubtful deposits	0.10	1.95
	<u>3.29</u>	<u>3.54</u>
Derivatives designated as hedges:		
- Foreign exchange forward contracts	2.48	-
- Interest rate swaps	3.27	2.18
- Others (Foreign currency options)	-	0.11
	<u>36.07</u>	<u>35.21</u>
(i) includes from related parties [refer note 31(b)]		

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

	As at March 31, 2023 Rs. Crores	As at March 31, 2022 Rs. Crores
8 Current tax assets		
Advance tax	1,810.12	1,304.59
Less: Provision for current tax	<u>(1,692.68)</u>	<u>(1,260.43)</u>
	<u>117.44</u>	<u>44.16</u>
9 Other current assets		
(Unsecured considered good unless otherwise stated)		
Advances recoverable in kind or for value to be received		
Considered good	170.48	178.27
Considered doubtful	5.39	14.25
	<u>175.87</u>	<u>192.52</u>
Less: Provision for doubtful advances	5.39	14.25
	<u>170.48</u>	<u>178.27</u>
Prepaid expenses	27.87	15.79
Balances with customs, excise etc	89.52	25.52
Others	6.80	8.19
	<u>294.67</u>	<u>227.77</u>
10 Assets classified as held for sale		
Land and buildings	22.92	33.92
Plant and machinery	0.40	7.52
	<u>23.32</u>	<u>41.44</u>
Refer note 47 for other information relating to assets classified as held for sale.		
11 Equity share capital		
Authorised		
29,49,50,000 (March 31, 2022 - 29,49,50,000) equity shares of Rs.2 each with voting rights	58.99	58.99
65,01,000 (March 31, 2022 - 65,01,000) Cumulative redeemable preference shares of Rs. 100 each	65.01	65.01
	<u>124.00</u>	<u>124.00</u>
Issued		
15,98,42,296 (March 31, 2022 - 15,98,42,296) Equity shares of Rs 2 each with voting rights	31.97	31.97
Subscribed and fully paid up		
15,59,42,296 (March 31, 2022 - 15,59,42,296) Equity shares of Rs. 2 each with voting rights, fully paid - up	31.19	31.19
Forfeited shares - Amount originally paid up	0.16	0.16
	<u>31.35</u>	<u>31.35</u>

Notes:

(i) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period:

Subscribed and fully paid up Equity Shares:	No. of shares	Value (Rs. Crores)
As at April 1, 2021	15,59,42,296	31.19
As at March 31, 2022	15,59,42,296	31.19
As at March 31, 2023	15,59,42,296	31.19

Buy-back of shares

- The Company bought back and extinguished 64,73,841 equity shares of Rs 2 each during financial year 2018-19

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

	As at March 31, 2023 Rs. Crores		As at March 31, 2022 Rs. Crores	
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(ii) Rights, preferences and restrictions on equity shares:

Voting rights and dividend shall be in the proportion to the capital paid upon equity shares. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to the capital paid upon equity share after distribution of all preferential amount.

	As at March 31, 2023		As at March 31, 2022	
	No. of shares	%	No. of shares	%
(iii) Shares held by the holding company:				
Sumant Investments Private Limited	9,82,82,744	63.03%	9,82,82,744	63.03%
(iv) Shareholders holding more than 5% equity shares are as under:				
Sumant Investments Private Limited	9,82,82,744	63.03%	9,82,82,744	63.03%
Life Insurance Corporation of India	1,05,14,136	6.74%	1,05,14,136	6.74%
(v) Shares held by promoters:				
Refer note 54				
12 Other equity¹				
12.1 General reserve		624.23		619.22
12.2 Surplus in statement of profit and loss		5,602.48		4,877.63
12.3 Capital redemption reserve		10.40		10.40
12.4 Storage fund for molasses account		2.75		2.56
12.5 Share held by trust under Employees Stock Purchase Scheme (ESPS) ²		(5.36)		(5.45)
12.6 Other comprehensive income				
- Cash flow hedging reserve (refer note 45.4)(b)]		2.68		(9.62)
		6,237.18		5,494.74

1. Created under relevant Act/statutes and will be utilized as per Companies Act/ other relevant act. For movement during the year, refer 'Statement of changes in equity'.

2. Shares held by trust under ESPS represents cost of 11,61,474 (March 31, 2022 - 11,79,674) equity shares purchased and held by the Employee Benefit trust under ESPS scheme.

NON-CURRENT LIABILITIES

13 Financial liabilities

13.1 Long term borrowings (at amortized cost)

Secured (refer note 41B)

Non Convertible Debentures	151.52	174.42
Term loans		
From banks	746.34	508.73
From others	241.39	234.54
	1,139.25	917.69

Unsecured

Deposits		
Fixed ⁽¹⁾	14.49	33.65
	14.49	33.65
	1,153.74	951.34

1. Repayable as per maturity term not beyond 3 years

13.2 Other financial liabilities

Interest accrued but not due on loan and deposits	0.03	0.05
	0.03	0.05

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

	As at March 31, 2023 Rs. Crores	As at March 31, 2022 Rs. Crores
14 Long term provisions		
Provision for employee benefits		
Gratuity	138.42	132.78
Compensated absences	98.24	94.83
Other benefits	12.17	11.25
Provision for contingencies (refer note 37)	12.09	12.09
	<u>260.92</u>	<u>250.95</u>
15 Other non-current liabilities		
Security deposits	0.01	0.01
Others (includes deferred government grant)	6.32	4.52
	<u>6.33</u>	<u>4.53</u>
CURRENT LIABILITIES		
16 Financial liabilities		
16.1 Short-term borrowings - at amortized cost		
Secured (refer note 41 B)		
Current maturities of long-term debt :-		
Non Convertible Debentures	23.53	23.53
Term loans:-		
From banks	64.48	43.20
From others	44.58	43.60
Other loans from banks	323.00	403.00
	<u>455.59</u>	<u>513.33</u>
Unsecured		
Current maturities of long-term debt		
Fixed deposits	23.65	3.50
Other loans from banks	-	35.00
Loan from subsidiary company	1.45	1.45
	<u>25.10</u>	<u>39.95</u>
	<u>480.69</u>	<u>553.28</u>
16.2 Trade payables		
Total outstanding dues of micro enterprises and small enterprises (refer note 48)	40.64	35.83
Total outstanding dues of creditors other than micro enterprises and small enterprises (i) refer note 57 (a)	908.40	873.23
	<u>949.04</u>	<u>909.06</u>
16.3 Other financial liabilities		
Interest accrued but not due on borrowings	4.67	5.06
Unpaid dividends	9.83	9.06
Unpaid matured deposits and interest accrued thereon	-	0.05
Employee dues payable ⁽ⁱ⁾	76.32	57.90
Security deposits	53.51	49.04
Others liabilities	269.38	98.14
(Includes capital creditors Rs 235.19 crores; March 31, 2022 - Rs. 54.19 crores)		
Derivatives designated as hedge		
- Foreign exchange forward contracts	-	8.66
	<u>413.71</u>	<u>227.91</u>
(i) includes due to related parties [Refer note 31(b)]		
17 Other current liabilities		
Statutory levies (includes statutory dues payable)	140.44	116.70
Advance received from customers	332.76	328.63
Other current liabilities	85.21	75.46
	<u>558.41</u>	<u>520.79</u>
18 Short term provisions		
Provision for employee benefits		
Gratuity	27.86	25.64
Compensated absences	31.56	27.92
Other benefits	0.95	1.52
	<u>60.37</u>	<u>55.08</u>

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2023

	Year ended March 31, 2023 Rs. Crores	Year ended March 31, 2022 Rs. Crores
19 Revenue from operations		
Revenue from sale of products		
Gross revenue ⁽ⁱ⁾	11,984.34	9,860.03
Less: Discounts	<u>236.98</u>	<u>236.22</u>
	11,747.36	9,623.81
Other operating revenue		
Rent	0.17	0.25
Liabilities/provisions no longer required written back	5.24	5.26
Miscellaneous income (includes scrap sales) (refer note 49)	<u>58.74</u>	<u>47.23</u>
	64.15	52.74
Revenue from Operations	11,811.51	9,676.55
(i) Notes:		
(a) Includes Rs 275.27 crores against advance received from customers balance as at April 1, 2022 (2021-22 - Rs 175.53 crores)		
(b) Includes Rs 36.02 crores on account of differential urea subsidy accrued for earlier periods based on notification issued by 'Fertiliser Industry Coordination Committee (FICC), Government of India, in pursuance of the Retention Price Scheme administered for nitrogenous fertilisers (2021-22 - Rs 33.15 crores).		
(c) The Company does not have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. Accordingly, the Company has not adjusted transaction prices for the time value of money.		
(d) Total revenue from operations (excluding excise duty) is as under:		
	Year ended March 31, 2023 Rs. Crores	Year ended March 31, 2022 Rs. Crores
Total revenue from operations (excluding excise duty)	11,278.98	9,454.57
20 Other income		
Interest income [refer note 31(a)]	109.25	38.78
Rent [refer note 34(ii)]	0.63	0.74
Miscellaneous income (refer note 49)	25.71	15.79
Other gains/(losses):		
- net gain/(loss) on financial assets mandatorily measured at fair value through profit or loss	1.81	10.60
- net gain on sale of liquid investments	26.61	19.53
- net gain/(loss) on sale of property, plant and equipment (including assets held for sale)	<u>11.37</u>	<u>8.45</u>
	175.38	93.89
21 Change in inventories of finished goods, stock-in-trade and work-in-progress (refer note 6)		
Closing stock	1,745.72	1,730.24
Add: Provision for sales return	5.63	7.79
Adjusted closing stock	<u>1,751.35</u>	<u>1,738.03</u>
Opening stock	1,738.03	1,352.17
Decrease/(increase) in inventories	<u>(13.32)</u>	<u>(385.86)</u>
22 Employee benefits expense		
Salaries, wages, bonus, gratuity, commission, etc. ⁽ⁱ⁾	784.60	695.70
Expense on Employee stock purchase scheme ⁽ⁱⁱ⁾	6.03	5.51
Contribution to provident and other funds ⁽ⁱ⁾	48.31	43.79
Staff welfare expenses	<u>35.54</u>	<u>27.29</u>
	874.48	772.29

(i) refer note 32

(ii) refer note 40

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

		Year ended March 31, 2023 Rs. Crores	Year ended March 31, 2022 Rs. Crores
23 Finance costs			
Interest expense on financial liabilities measured at amortized cost ¹		98.64	78.87
Other borrowing costs		3.15	4.58
Net loss on foreign currency transactions and translation		3.55	18.05
		<u>105.34</u>	<u>101.50</u>
Less: Amount included in the cost of qualifying assets ²		<u>52.69</u>	<u>16.43</u>
		<u>52.65</u>	<u>85.07</u>
<p>1. includes interest expense on loan from wholly owned subsidiary Rs 0.10 crores (2021-22: Rs. 0.10 crores)</p> <p>2. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Borrowing cost attributable to the acquisition or construction of qualifying assets is capitalised upto the date of commissioning of the asset. The weighted average rate used to determine the amount of borrowing costs eligible for capitalization is 6.61% p.a. (2021-22: 6.58% p.a.)</p>			
24 Depreciation and amortization expense			
Depreciation of property, plant and equipment	2.1	233.78	211.04
Depreciation of Right of use assets (refer note 34)	2.1	18.54	18.69
Depreciation of investment property	2.2	-	0.03
Amortization of intangible assets	2.3	3.65	4.77
		<u>255.97</u>	<u>234.53</u>
25 Other expenses			
Consumption of stores and spare parts		395.13	331.02
Rent (refer note 34)		14.65	16.25
Repairs			
Buildings		18.89	24.28
Plant and machinery		88.58	76.01
Donation ¹		7.24	3.36
Insurance		27.31	25.45
Rates and taxes		15.74	3.78
Auditors' remuneration			
Audit fee		1.35	1.38
Tax audit*		-	0.16
Limited reviews*		0.67	0.68
Other certification services*		0.42	0.43
Out-of-pocket expenses*		0.11	-
Directors' fees		0.83	0.75
Bad debts, advances, other debts and deposits written off	50.71		0.55
Less: adjusted against provision for doubtful debts, advances, other debts and deposits	<u>(50.37)</u>	0.34	<u>-</u>
Provision/ (Reversal) for credit impaired receivables		(0.66)	7.43
Provision for credit impaired loans and advances, other debts and deposits		0.42	0.25
Freight and transport		300.87	256.44
Commission to selling agents		22.10	18.25
Brokerage, discounts (other than trade discounts), etc.		0.17	0.15
Selling expenses		108.19	99.73
Exchange fluctuation costs/(gains)		(6.85)	(4.62)
Provision for impairment/ (reversal) on assets held for sale		(0.21)	(4.06)
Provision for diminution in value of long term investments		0.88	-
Corporate Social Responsibility ²		24.78	17.43
Miscellaneous expenses		210.23	165.66
		<u>1,231.18</u>	<u>1,040.76</u>
Less:- Cost of own manufactured goods capitalised/consumed		<u>(4.26)</u>	<u>(1.58)</u>
		<u>1,226.92</u>	<u>1,039.18</u>

* Includes Rs.0.68 crs pertaining to predecessor auditor

1 refer note 36

2 refer note 38

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

	Year ended March 31, 2023 Rs. Crores		Year ended March 31, 2022 Rs. Crores	
26 Tax expense (refer note 42)				
Current tax		228.49		269.68
Deferred Tax		259.71		224.16
Tax adjustments related to income from subsidiary (Refer note 35(b))		18.56		-
Tax adjustments related to earlier years				
- Current tax		-	(1.22)	
- Deferred tax	(13.76)	(13.76)	(1.81)	(3.03)
		493.00		490.81
27 Earnings per share				
Profits after tax (Rs. Crores)		961.49		1,048.75
Weighted average number of equity shares (Nos.)		15,59,42,296		15,59,42,296
Basic and Diluted earnings per share (face value Rs 2 per share)		61.66		67.25

	As at March 31, 2023 Rs. Crores	As at March 31, 2022 Rs. Crores
28. (i) Contingent liabilities not provided for*:		
(a) Claims (excluding claims by employees where amount not ascertainable) not acknowledged as debts:		
- Additional premium on land	8.11	8.11
- Interest on delayed payments (cane/others)	55.06	64.01
- Others	5.63	5.63
Total	68.80	77.75
* timing of outflow, if any, cannot be ascertained as of now		
(ii) Capital commitments (net of advances)	540.87	927.11

- 29** In accordance with its accounting policy and past practice, the Company accrues revenue credits for urea subsidy claims pending notification/final acceptance by 'Fertiliser Industry Coordination Committee' (FICC), Government of India, in pursuance of the Pricing Scheme administered for nitrogenous fertilisers. The total amount receivable on account of such claims as on March 31, 2023 is Rs 157.62 crores (Rs 312.86 crores on March 31, 2022). Necessary adjustments to revenue credits so accrued will be made on issuance of notification by FICC, Government of India.

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

30 Segment reporting

A. Operating segments and principal activities:

Operating segments are defined as components for which discrete financial information is available and whose results are reviewed regularly by the chief operating decision maker (CODM), for allocation of resources and assessing performance. Accordingly, the following segments have been identified as under: Fertilisers (manufacturing of urea), Chloro-Vinyl (manufacturing of poly-vinyl chloride, carbide and chlor alkali products), Shriram Farm solutions (Plant nutrients, seeds and pesticides), Sugar (manufacturing of sugar, ethanol and co-generation of Power), Bioseed (production of hybrid seeds), Fenesta building system (Windows and doors), Others (Cement, Rural retail and plaster of paris). Sale of power from the co-generation facilities set up for the operating segments is included in their respective results.

B. Geographical segments:

Since the Company's activities/ operations are primarily within the country and considering the nature of products/ services it deals in, the risks and returns are same and as such there is only one geographical segment.

C. Segment accounting policies:

In addition to the significant accounting policies applicable to the operating segments as set out in note 1.3, the accounting policies in relation to segment accounting are as under:

(i) Segment revenue and expenses:

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

(ii) Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables (net of allowances and provision), inventories and property, plant and equipments, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consists principally of trade payables. Segment assets and liabilities do not include deferred income taxes. While most of the assets/ liabilities can be directly attributed to individual segment, the carrying amount of certain assets/ liabilities pertaining to two or more segments are allocated to the segments on a reasonable basis.

(iii) Inter segment sales:

Inter segment sales between operating segments are accounted for at market price. These transactions are eliminated in consolidation.

D. Revenue from major products:

Revenue from major products is given in note 59

E. Geographical information:

(i) Revenue from external customers: The Company's revenue from external customers by location of operation are as under: **Rs. Crores**

Particulars	This year	Previous year
- Within India	11,263.42	9,338.09
- Outside India	483.94	285.72
Total	11,747.36	9,623.81

(ii) Non-current assets other than financial instruments: There are no such assets which are located outside India.

F. Information about revenue from a single party exceeding 10% of the total revenue

Revenue from fertilizer subsidy income from 'Fertiliser Industry Coordination Committee' (FICC), Government of India amounted to Rs.1,775.88 crores (31 March 2022 : Rs. 1,121.70 crores) arising from sales in the fertilizers segment, and has outstanding receivable of Rs. 310.22 crores as at 31 March 2023 (31 March 2022 : Rs. 434.88 crores).

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

PARTICULARS	Chloro-Vinyl		Sugar		Shriram Farm Solutions		Bloseed		Fertiliser		Fenesta Building System*		Others		Elimination		Total	
	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year
	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
1. REVENUE																		
External sales (Gross)	3,872.48	3,595.71	3,499.24	2,674.87	1,032.26	947.11	347.73	274.69	1,984.01	1,324.86	687.67	522.53	323.97	344.04	11,747.36	9,623.81		
Other Operating Income	18.42	17.78	27.22	20.76	0.81	1.75	4.51	3.73	3.43	2.14	7.83	5.47	1.93	1.11	64.15	52.74		
Inter segment sales	62.80	62.97	-	-	0.45	-	4.71	16.52	-	-	0.01	0.14	3.57	1.52	71.54	81.15		
Total revenue	3,953.70	3,616.46	3,526.46	2,695.63	1,033.52	948.86	356.95	294.94	1,987.44	1,327.00	695.51	528.14	329.47	346.67	11,811.51	9,676.55		
2. RESULTS																		
Segment results	981.70	1,268.41	237.13	322.71	183.69	134.64	(18.70)	(101.77)	129.35	76.47	121.17	68.71	(43.50)	(18.77)	1,590.84	1,750.40		
Unallocated expenses (net of income)	981.70	1,268.41	237.13	322.71	183.69	134.64	(18.70)	(101.77)	129.35	76.47	121.17	68.71	(43.50)	(18.77)	1,507.14	1,624.63		
Operating profit															52.65	85.07		
Finance costs															1,454.49	1,539.56		
Profit before tax																		
Provision for taxation																		
- Current and deferred tax																		
- Tax adjustments related to earlier years																		
Net profit after tax																		
3. OTHER INFORMATION																		
A.ASSETS																		
Segment assets	3,802.01	2,415.20	3,867.40	3,465.59	232.43	184.38	383.32	360.73	532.48	711.02	300.43	232.92	92.14	98.71	9,210.21	7,468.55		
Unallocated assets	3,802.01	2,415.20	3,867.40	3,465.59	232.43	184.38	383.32	360.73	532.48	711.02	300.43	232.92	92.14	98.71	1,497.37	1,829.53		
Total assets															10,707.58	9,298.08		
B. EQUITY AND LIABILITIES																		
Equity (Share Capital & Other Equity)	674.74	489.11	553.64	511.38	182.79	169.28	136.33	122.52	223.66	232.75	308.04	276.13	73.85	73.47	6,268.53	5,526.09		
Segment liabilities	674.74	489.11	553.64	511.38	182.79	169.28	136.33	122.52	223.66	232.75	308.04	276.13	73.85	73.47	2,153.05	1,874.64		
Secured and unsecured loans															1,634.44	1,504.62		
Unallocated liabilities															651.56	392.73		
Total liabilities	674.74	489.11	553.64	511.38	182.79	169.28	136.33	122.52	223.66	232.75	308.04	276.13	73.85	73.47	10,707.58	9,298.08		
C. OTHERS																		
Capital expenditure	1,293.79	473.81	581.10	96.40	4.05	1.40	13.80	6.76	16.63	22.91	56.30	32.36	8.86	4.37	1,974.53	638.01		
Unallocated capital expenditure															15.47	10.32		
Depreciation and amortisation expense	107.77	101.25	84.57	77.41	2.06	1.13	4.65	3.90	11.85	10.62	21.89	15.67	3.90	2.94	236.69	212.92		
Unallocated depreciation and amortisation expense															19.28	21.61		
Non cash expenses other than depreciation	0.02	(2.56)	-	-	1.24	2.93	(1.98)	4.68	-	0.01	0.22	0.20	0.07	(0.27)	(0.43)	5.01		
Unallocated non cash expenses other than depreciation															1.20	(0.84)		

* Upto previous year ended March 31, 2022, Fenesta building system was disclosed as part of 'Others' segment.

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

31 Related party disclosures

Name of related party as per Ind AS 24 and nature of related party relationship

1. Holding company: Sumant Investments Private Limited

2. Subsidiaries:

- (i) DCM Shriram Credit and Investments Limited, Bioseed India Limited, DCM Shriram Infrastructure Limited, DCM Shriram Aqua Foods Limited, Hariyali Rural Ventures Limited, Fenesta India Limited, Shriram Bioseed Ventures Limited, Bioseed Research Philippines Inc., Bioseeds Holdings PTE. Ltd., Shriram Polytech Limited (Formerly Shriram Axiall Private Limited) ¹, Bioseed Research USA Inc., DCM Shriram Foundation, Shridhar Shriram Foundation, DCM Shriram Bio Enchem Ltd. ², DCM Shriram Pro Chem Ltd. ³, DCM Shriram Ventures Ltd. ⁴, Shriram Agsmart Ltd. ⁵, Bioseeds Limited ⁶, Shriram Bioseed (Thailand) Ltd. ⁷

1 w.e.f. October 19, 2021 - Also refer note 51 (a)

2 Incorporated on March 11, 2022

3 Incorporated on March 11, 2022

4 Incorporated on March 30, 2022

5 Incorporated on July 11, 2022

6 merged with Shriram Bioseed Ventures Limited w.e.f. April 27, 2022

7 liquidated w.e.f. June 15, 2021

- (ii) Subsidiaries incorporated under section 8 of Companies Act 2013:

DCM Shriram Foundation, Shridhar Shriram Foundation

3. Joint venture: Shriram Axiall Private Limited (upto October 18, 2021) - refer note 35

4. Associate : Renew Green (GJ Ten) Private limited (w.e.f. February 23, 2023)

5. Key Managerial Persons, their relatives and HUFs:

- (i) Executive Directors, their relatives and HUFs (with whom transactions are there):

Mr. Ajay S. Shriram, Mr. Vikram S. Shriram, Mr. Ajit S. Shriram, Mr. K.K. Kaul, Mr. K.K. Sharma, Mr. Aditya A. Shriram (relative of Mr. Ajay S. Shriram), Mr. Anand A. Shriram (relative of Mr. Ajay S. Shriram), Mr. Pranav V. Shriram (relative of Mr. Vikram S. Shriram), Mr. Varun A. Shriram (relative of Mr. Ajit S. Shriram), Mrs. Anuradha Bishnoi (relative of Mr. Ajay S. Shriram), Mrs. Geeta Kaul (relative of Mr. K.K. Kaul), M/s. Ajay S. Shriram (HUF), M/s. Vikram S. Shriram (HUF), M/s. Ajit S. Shriram (HUF).

- (ii) Independent Directors and their relatives (with whom transactions are there):

Mr. Pradeep Dinodia, Mr. Vimal Bhandari, Mr. Sunil Kant Munjal, Mrs. Ramni Nirula, Justice (Retd.) Vikramjit Sen, Mr. Pravesh Sharma, Ms. Sarita Garg (Nominee of LIC)

6. Trust : Sir Shriram Foundation, DCM Shriram Employees' Provident Fund Trust, DCM Shriram Officers' Superannuation Fund Trust

(a) Transactions with related parties:

Rs. Crores

S. No.	Nature of transaction	This year						Total	Previous year					Total	
		Holding Company	Subsidiaries	Associates	Joint Venture	KMPs/Relatives	Trust		Holding Company	Subsidiaries	Joint Venture	KMPs/Relatives	Trust		
1	Sale of products	0.02	59.41	-	-	-	-	59.43	-	42.14	31.13	0.47	-	-	73.74
2	Common services expenses recovered	-	1.05	-	-	-	-	1.05	-	0.52	0.53	-	-	-	1.05
3	Supply of water, power and steam	-	0.22	-	-	-	-	0.22	-	0.11	0.08	-	-	-	0.19
4	Rent paid (includes goods and services tax)	-	0.12	-	-	3.61	-	3.73	-	0.11	-	4.28	-	-	4.39
5	Remuneration (including commission) ⁹	-	-	-	-	48.46	-	48.46	-	-	-	41.71	-	-	41.71
6	Sitting fees and commission	-	-	-	-	4.61	-	4.61	-	-	-	4.07	-	-	4.07
7	Security deposits received back	-	0.53	-	-	-	-	0.53	-	1.22	-	-	-	-	1.22
8	Loans and advances given (net)	-	1.33	-	-	-	-	1.33	-	-	-	-	-	-	-
9	Loans and advances received back (net)	-	134.22*	-	-	0.06	-	134.28	-	0.23	-	0.06	-	-	0.29
10	Interest income	-	59.07	-	-	-	-	59.07	-	2.21	-	-	-	-	2.21
11	Investment in equity and preference shares	-	254.44*	8.68	-	-	-	263.12	-	23.80	-	-	-	-	23.80
12	Interest expenses	-	0.10	-	-	-	-	0.10	-	0.10	-	-	-	-	0.10
13	Dividend paid	150.37	-	-	-	5.09	-	155.46	124.13	-	-	4.06	-	-	128.19
14	Contribution to Provident fund trust	-	-	-	-	-	35.26	35.26	-	-	-	-	-	31.67	31.67
15	Contribution to Superannuation fund trust	-	-	-	-	-	8.37	8.37	-	-	-	-	-	8.24	8.24
16	Contribution for CSR activities	-	15.63	-	-	-	-	15.63	-	7.47	-	-	-	-	7.47
17	Guarantee given by subsidiary company in respect of loan taken by the Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-

* Includes conversion of loan into equity capital (Also refer note 35 (b))

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

(b) Balance outstanding as at the year end (gross)

(unsecured unless otherwise stated)

Rs. Crores

S. No.	Nature of transaction	This year						Total	Previous year					Total
		Holding Company	Subsidiaries	Associates	Joint Venture	KMP's/ Relatives	Trust		Holding Company	Subsidiaries	Joint Venture	KMP's/ Relatives	Trust	
1	Security deposits receivable	-	1.51	-	-	8.40	-	9.91	-	2.04	-	8.40	-	10.44
2	Loans and advances receivable	-	34.91	-	-	0.06	-	34.97	-	167.68	-	0.12	-	167.80
3	Loan payable	-	1.45	-	-	-	-	1.45	-	1.45	-	-	-	1.45
4	Interest receivable	-	1.34	-	-	0.08	-	1.42	-	16.42	-	0.08	-	16.50
5	Trade receivable	-	12.02	-	-	-	-	12.02	-	17.67	-	-	-	17.67
6	Interest payable	-	0.29	-	-	-	-	0.29	-	0.41	-	-	-	0.41
7	Commission payable	-	-	-	-	26.99	-	26.99	-	-	-	23.51	-	23.51
8	CSR contribution payable	-	4.09	-	-	-	-	4.09	-	-	-	-	-	-
9	Outstanding guarantees given by subsidiary companies in respect of loan taken by the Company	-	406.69	-	-	-	-	406.69	-	434.08	-	-	-	434.08
10	Provision for doubtful loan/advances and interest accrued against outstanding balances	-	26.76	-	-	-	-	26.76	-	41.74	-	-	-	41.74

The transactions with related parties are as per the terms of arrangement between the parties in the normal course of business and to be settled through receipt/payment or sale/purchase of goods or services.

- (i) Provision for incremental gratuity liability and leave encashment for the current year in respect of directors has not been considered above, since the provision is based on a actuarial basis for the Company as a whole.

(c) Maximum amount of loans and advances outstanding during the year:

Rs. Crores

S. No.	Name of the Company	Amount outstanding at the year end (gross)		Maximum amount outstanding during the year	
		This year	Previous year	This year	Previous year
1	DCM Shriram Credit and Investments Limited *	8.40	7.07	8.40	8.09
2	DCM Shriram Infrastructure Limited *	26.51	26.39	26.39	26.39
3	Shriram Bioseed Ventures Limited *	-	114.80	117.16	114.80
4	Hariyali Rural Ventures Limited	-	0.01	0.01	0.01
5	DCM Shriram Foundation	-	-	-	0.01
6	Bioseed Holding PTE Limited *	-	19.41	21.20	19.41
7	DCM Shriram Bio Enchem Ltd.	-	-	25.70	-
8	Mr. K.K. Kaul	0.06	0.12	0.12	0.18
	Total	34.97	167.80		

* includes loans given during the year for working capital requirements

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

32. Employee Benefits

The Company has classified the various benefits provided to employees as under:-

(i) Defined contribution plans:

The Company has recognized the following amounts in the statement of profit and loss:

	Rs. Crores	
	This year	Previous year
- Employers' contribution to provident fund*	35.26	31.67
- Employers' contribution to superannuation fund	8.37	8.25
- Employers' contribution to national pension scheme	4.68	3.87
Total	48.31	43.79

* There is no shortfall in the interest cost for which Company is liable as at the date of financial statements.

(ii) Disclosure in respect of Defined benefit obligation (Gratuity) is as under:

The principal assumptions used for the purpose of actuarial valuation were as under:

Particulars	Rs. Crores	
	As at March 31, 2023	As at March 31, 2022
Discount rate per annum	7.53%	7.28%
Expected rate of salary increase	8.00%	8.00%
Mortality rate	IALM (2012-14) ultimate	IALM (2012-14) ultimate
Withdrawal rates:		
- Upto 30 years	3%	3%
- 31 to 44 years	2%	2%
- above 44 years	1%	1%
Retirement age	58/60 yrs	58/60 yrs

(a) Amount recognised in statement of profit and loss in respect of the defined benefit plan are as follows:

	Rs. Crores	
	This year	Previous year
Components of defined benefit costs recognised in statement of profit and loss*		
Current service cost	13.52	12.68
Net interest expense	10.30	9.49
Components of defined benefit costs recognised in profit and loss	23.82	22.17
Components of defined benefit costs recognised in other comprehensive income		
Actuarial (gain)/loss from changes in financial assumptions	(3.06)	(3.65)
Actuarial (gain)/loss arising from experience adjustments	2.51	2.80
Return on plan assets (higher)/lower than discount rate	0.10	0.04
Total actuarial (gain)/loss recognised in other comprehensive income	(0.45)	(0.81)
Total amount recognised in statement of profit and loss	23.37	21.36

* included in the salaries, wages, bonus, gratuity etc in note 22 "Employee Benefits expense".

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

(b) The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit obligation/plans is as follows:

	Rs. Crores	
	As at March 31, 2023	As at March 31, 2022
Present value of defined benefit obligation	174.25	166.68
Fair value of plan assets	(7.97)	(8.26)
Net liability arising from defined benefit obligation	166.28	158.42
- Non-current liability	138.42	132.78
- Current liability	27.86	25.64

(c) Movements in the fair value of plan assets are as follows:

	Rs. Crores	
	This year	Previous year
Opening fair value of plan assets	8.26	7.37
Expected return on plan assets	0.60	0.51
Employer contribution	1.04	0.93
Remeasurement gains/(losses):		
- Return on plan assets (higher)/lower than discount rate	(0.10)	(0.04)
Benefits paid	(1.83)	(0.51)
Closing fair value of plan assets	7.97	8.26

(d) Movements in the present value of defined benefit obligations are as follows:

	Rs. Crores	
	This year	Previous year
Opening defined benefit obligation	166.68	162.80
Current service cost	13.52	12.68
Interest cost	10.90	10.00
Remeasurement (gains)/losses:		
- Actuarial (gain)/loss from changes in financial assumptions	(3.06)	(3.65)
- Actuarial (gain)/loss arising from experience adjustments	2.51	2.80
Benefits paid by employer	(14.47)	(17.44)
Benefits paid from plan assets	(1.83)	(0.51)
Closing defined benefit obligations	174.25	166.68

(e) Sensitivity analysis

The significant actuarial assumption for the determination of defined benefit obligations are discount rate and expected salary increase.

	Rs. Crores	
	As at March 31, 2023	As at March 31, 2022
The value of gross benefit obligation as mentioned above, on account of sensitivity in significant assumptions, would be as under :		
Discount rate		
(i) Discount rate -100 basis point	186.75	179.27
(ii) Discount rate +100 basis point	162.58	155.37
Salary increase rate		
(i) rate -100 basis point	163.75	156.44
(ii) rate +100 basis point	185.00	177.60

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

(f) Major categories of plan assets

The plan assets at one of the unit are maintained with LIC of India Gratuity Scheme. The details of investment maintained by LIC are not available and have therefore not been disclosed.

(g) The Company expects to contribute Rs. 1.26 crores to the LIC fund during the year 2023-24 (previous year - Rs. 1.20 Crores).

(h) The average expected future working life of members of the defined benefit obligation as at March 31, 2023 is 15.90 years (as at March 31, 2022 15.63 years)

(i) The maturity profile of defined benefit obligation is as follows:

Particulars	Rs. Crores	
	As at March 31, 2023	As at March 31, 2022
within 1 year	35.46	33.89
between 2-5 years	60.61	56.13
between 6-10 years	62.24	62.32

33. (a) Amount recognised in statement of profit and loss for investment properties

	Rs. Crores	
	This year	Previous year
Rental income	-	0.13
Income from investment properties before depreciation	-	0.13
Depreciation	-	0.03
Income from investment properties after depreciation	-	0.10

(b) Fair value

The fair value of the Company's investment properties as at March 31, 2023 and March 31, 2022 have been arrived at on the basis of a valuation carried out by government approved independent valuers. The inputs used in fair valuation are circle rate of the property, prevailing market price of the similar kind of property in that area and other relevant factors.

Information about the fair value of the Company's investment properties and fair value hierarchy are as follows:

	Rs. Crores	
	As at March 31, 2023	As at March 31, 2022
Fair value of the investment properties (Rs. Crores)	8.94	8.34
Fair valuation hierarchy	Level 3	Level 3

34 Disclosure of Ind AS 116 'Leases' :

(i) Assets taken on lease

(a) Amounts recognised in the statement of profit or loss

	Rs. Crores	
	This year	Previous year
Depreciation charge of right-of-use assets		
Buildings	17.79	18.43
Leasehold land	0.75	0.26
	18.54	18.69
Interest expense (included in finance cost)	5.74	5.38
Expense relating to short-term leases (included in Rent expense)	5.20	1.55
Total cash outflows for leases	20.01	22.32
Amount of lease commitments for short-term leases	2.53	1.05

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

(b) Carrying amount of right-of-use assets at the end of the reporting period by class of underlying asset:

Rs. Crores

Particulars	As at	As at
	March 31, 2023	March 31, 2022
Buildings	64.54	60.75
Leasehold land	94.74	20.39
	159.28	81.14

(c) The Company's leasing activities:

The Company has entered into lease agreements for lease of offices, showrooms, godowns etc., generally for a period of 6 months to 11 years with renewal option and which can be terminated after lock-in-period by serving notice period as per the terms of the agreements.

(d) In applying IndAS 116, the Company has used the following practical expedients:

- elected not to assess whether a rent concession that meets the conditions in paragraph 46B is a lease modification.
- Rs nil recognised as 'Other income' in statement of profit and loss for financial year ended March 31, 2023 to reflect reduction in lease payments that arise from rent concessions to which the Company has applied the practical expedient (2021-22 - Rs 0.34 crores)

(ii) Assets given on lease:

(i) The Company has entered into operating lease arrangements for buildings (including certain other assets). The details of leased assets are as under:

Rs. Crores

	Gross Block as at		Accumulated depreciation as at		Depreciation	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	This year	Previous year
Land and building	13.31	13.31	1.74	1.53	0.21	0.21
Plant and equipment	0.15	0.15	0.12	0.11	0.01	0.01
Furniture and fixtures	0.16	0.16	0.12	0.12	-	-
Office equipments	0.01	0.01	-	-	-	-
	13.63	13.63	1.98	1.76	0.22	0.22

(ii) Information w.r.t. non-cancellable leases:

Rs. Crores

	This year	Previous year
Future minimum lease rent receivables	8.70	9.18
- Not later than one year	0.51	0.47
- Later than one year and not Later than two years	0.52	0.51
- Later than two year and not Later than three years	0.52	0.52
- Later than three year and not Later than four years	0.52	0.52
- Later than four year and not Later than five years	0.52	0.52
- Later than five years	6.11	6.64

During the year Company has earned lease income of Rs 0.63 crores (2021-22 - Rs 0.74 crores)

35. Details of transactions with intermediary(ies) or ultimate beneficiary(ies)

(a) Investment in equity shares

Transaction	Name of Intermediary	Date	Amount	Transaction	Ultimate beneficiary	Date	Amount
Loan to intermediary	DCM Shriram Credit and Investments limited	September 20, 2022	Rs. 0.25 crores	Investment in equity shares	Biomass India Private Limited	September 20, 2022	Rs. 0.25 crores

(b) Capital Restructuring

(l) During the year, the Company completed the capital restructuring of loans/investments made by the Company in subsidiaries (domestic/overseas). The summary of restructuring activities is as under:

During September - November 2023, amount invested in equity share capital of Shriram Bioseed Ventures Limited (SBVL) which has further invested Rs. 81.45 crores in equity share capital of Bioseed Holdings PTE. Ltd. (BHP)	Rs. 192.50 crores
Amount received back from SBVL towards repayment of loan and interest from SBVL/ BHP towards payment of interest:	Rs. 187.90 crores

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

Further, BHP has converted the loan outstanding amounting to Rs.20.90 crores of DCM Shriram Limited into Equity share capital.

(ii) During the year, the Company received Rs 53.78 crores interest income (income tax impact : Rs 18.56 crores) relating to earlier years from Shriram Bioseed Ventures Limited. The same has been recognised in 'Other Income' in the standalone financial statements

36. Donation includes Rs. 5 crores (2021-22 - Rs. 3 crores) towards political contribution.

37. Provision for contingencies in note 14 represents provision for various contingencies resulting from issues relating to reconstruction arrangement of the companies involved therein requiring management judgement.

Particulars	Rs. Crores	
	As at March 31, 2023	As at March 31, 2022
As at the beginning of the year	12.09	12.09
As at the end of the year	12.09	12.09

38 Expenditure on corporate social responsibility activities under section 135 of the Companies Act 2013 as under:

Particulars	Rs. Crores	
	This year	Previous year
Amount required to be spent during the year	22.26	19.94
Actual expenditure incurred related to above obligation ¹	18.76	17.43
Unspent amount at the end of year related to ongoing projects ²	3.50	2.51
Total of previous years unspent amount related to ongoing projects ²	0.36	-

Movement of provision created for liability incurred by entering into contractual obligation

Particulars	Rs. Crores	
	This year	Previous year
Opening balance as at beginning of the year	-	-
Created during the year	3.86	-
Utilised during the year	-	-
Closing balance as at year end	3.86	-

1. includes given to related parties [refer note 31(b)]

2. Unspent amount relates to ongoing projects for which the activities are planned in subsequent years. As per section 135(6) of the Companies Act, the said unspent amount relating to ongoing projects have been deposited in "Unspent CSR Bank account"

Details of CSR projects/activity for the year are as under:

CSR project or activity	Rs. Crores	
	This year	Previous year
Promoting health care including Preventive healthcare and Sanitation	8.35	6.28
Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare	0.90	2.02
Eradicating hunger, poverty and malnutrition, drinking water and rural development projects	2.75	2.60
Promoting education, livelihood and Empowering Women	5.65	2.04
Disaster management, including relief, rehabilitation and reconstruction activities	-	3.50
Overheads	1.11	0.99
Total	18.76	17.43

39. Research and development expenses included under relevant heads in the statement of profit and loss Rs. 57.90 crores (2021-22 - Rs. 54.22 crores).

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

40 Employee share based payments (refer note 12)

The Company has an Employees Stock Purchase Scheme (DCM Shriram ESPS) which is administered through DCM Shriram Employees Benefits Trust based on acquisition of shares from the market to provide equity based incentives to employees under the Scheme. The shares offered, lock-in-period and grant price may be different for different eligible participants and determined at the time of every grant of shares. The expenses related to the grant of shares under the Scheme is accounted for on the basis of the fair value (which equals to market price of the Company's share on date of grant less exercise price) of share on the date of grant and is amortized on a straight line basis over the lock-in period, if any.

The number and weighted average fair value of equity shares granted during the year are as under:

Particulars	Rs. Crores	
	This year	Previous year
No. of equity shares granted during the year	43,200	1,07,500
Weighted average fair value on the grant date (Rs per equity share)	1,021.49	938.82

41. Assets pledged as security

A. The carrying amount of assets pledged as security for borrowings are as under:

Particulars	Rs. Crores	
	As at March 31, 2023	As at March 31, 2022
Financial assets	1,743.08	2,529.98
Inventories	2,329.48	2,246.68
Property, plant and equipment and intangible assets (including capital work-in-progress but excluding right of use assets - building)	5,477.73	3,602.36
Total	9,550.29	8,379.02

B. Nature of security and terms of repayment for secured borrowings

S. No.	Nature of Security	Terms of Repayment as at March 31, 2023
Short term working capital borrowings from banks:		
1.	Short Term Loans of Rs. 200 Crores (March 31, 2022 - Rs. 325 Crores) are secured by first pari passu charge on whole of the current assets, both present and future, of the company (except Shriram Bioseed Genetics, Hyderabad & Bioseed Research India, Hyderabad). These loans are further secured by a third charge by way of mortgage/hypothecation of all the immovable/movable properties (other than current assets) of the Company's undertakings at Kota in Rajasthan and Ajbapur, Rupapur, Loni & Hariawan in Uttar Pradesh.	- Repayable on demand
2.	Short Term Loan of Rs. 78 Crores (March 31, 2022 - Rs. 78 Crores) is secured by first pari passu charge by way of hypothecation on book debts and stocks, both present and future of the Company's undertakings at Shriram Bioseed Genetics and Bioseed Research India, Hyderabad.	- Repayable as per terms of agreement upto Apr 21, 2023
3.	Short Term Loans of Rs. 45 Crores (March 31, 2022 - Rs. Nil Crores) is secured by lien on fixed deposits placed with bank.	- Repayable as per terms of agreement upto May 16, 2023
Non Convertible Debentures (NCD):		
1.	NCD of Rs. 175.05 Crores (March 31, 2022- Rs. 197.95 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed Assets, both present and future and a second charge ranking pari passu on the current assets, both present and future, pertaining to the Company's Bharuch unit, Gujarat (Rs. 23.53 Crores due within 1 year; March 31, 2022 - Rs. 23.53 Crores) (ROI - 7.05% p.a.)	- Repayable in 15 equal semi annual installments.
Long term loans from banks:		
1.	Term loan of Rs. 157.82 Crores (March 31, 2022 - Rs. 159.35 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Ajbapur, Uttar Pradesh (Rs. 1.53 Crores due within 1 year; March 31, 2022 - Rs. 1.53 Crores)	- Rs. 157.82 Crores repayable in 24 quarterly installments

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

S. No.	Nature of Security	Terms of Repayment as at March 31, 2023
Long term loans from banks:		
2.	Term loans of Rs. 54.75 Crores (March 31, 2022 - 145.32 Crores) are secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Hariawan, Uttar Pradesh (Rs. 7.88 Crores due within 1 year; March 31, 2022 - Rs 1.32 Crores)	- Rs. 15 Crores repayable in 2 annual installment commencing from December, 2023 - Rs. 39.75 Crores repayable in 24 quarterly installments
3.	Term loan of Rs. 46.63 Crores (March 31, 2022 - Rs. 84.73 crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Ajabpur and Loni, Uttar Pradesh. (Rs. 38.99 Crores due within 1 year; March 31, 2022 - Rs 40.35 Crores)	- Repayable in 15 monthly installments.
4.	Term Loan of Rs 21 Crores (March 31, 2022 - Rs 21 Crores) is secured by way of First pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Loni, Uttar Pradesh. (Rs. 7 Crores due within 1 year; March 31, 2022 - Rs Nil)	Repayable in 3 equal annual installments commencing from June 2023.
5.	Term loan of Rs. 141.53 Crores (March 31, 2022 - Rs. 141.53 Crores) is secured by way of first pari passu mortgage/charge to be created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Kota, Rajasthan (Rs. 7.08 Crores due within 1 year; March 31, 2022 - Rs Nil Crores)	Repayable in 12 Semi- annual installments commencing from June 2023.
6.	Term loans of Rs. 389.09 Crores (March 31, 2022 - Rs. Nil Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed Assets, both present and future pertaining to the Company's Bharuch unit, Gujarat (Rs. 2 Crores due within 1 year; March 31, 2022 - Rs Nil Crores)	- Rs. 198.56 Crores repayable in 26 quarterly installment. - Rs. 190.53 Crores repayable in 10 equal semi annual installments commencing from Mar 2025.
Long term loans from others:		
1.	Term Loan of Rs 128.50 Crores (March 31, 2022 - Rs 133.92 Crore) is secured by way of First pari passu mortgage/charge created on immovable and movable Fixed Assets, both present and future and a second charge ranking pari passu on the current assets, both present and future, pertaining to the Company's unit at Hariawan, UP. (Rs 17.30 crore due within 1 year; March 31, 2022 - Rs 15.96 Crore)	Repayable in 15 equal semi annual installments
2.	Term loan of Rs. 100.39 Crores (March 31, 2022 - Rs. 98.35 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed Assets, both present and future and a second charge ranking pari passu on the current assets, both present and future, pertaining to the Company's Bharuch unit, Gujarat (Rs. 12.56 Crores due within 1 year; March 31, 2022 - Rs 5.79 Crores)	Repayable in 16 equal semi annual installments
3.	Term Loan of Rs. 17.75 Crores (March 31, 2022 - Rs. 24.43 Crores) is secured by way of a first pari passu charge on all immovable and movable properties both present and future, pertaining to the Company's Ajbapur Sugar Complex, Uttar Pradesh (Rs 7.40 Crores due within 1 year; March 31, 2022 - Rs 7.40 Crores)	- Repayable in 10 equal semi annual installments commencing after 3 years from respective drawdown
4.	Term loan of Rs. 0.84 Crores (March 31, 2022 - Rs. 0.92 Crores) from Department of Biotechnology, Government of India is secured against hypothecation of plant & machinery, machinery spares, tools and accessories acquired from the loan proceeds to Company's Bioseed Research India division. (Rs. 0.20 Crores due within 1 year; March 31, 2022 - Rs 0.20 Crores)	-Repayable in 9 equal semi annual installments
5.	Term Loan of Rs. 7.12 Crores (March 31, 2022 - Rs. 20.52 Crores) is secured by way of a first pari passu charge on all immovable and movable properties both present and future, pertaining to the Company's Hariawan Sugar Complex, Uttar Pradesh (Rs. 7.12 Crores due within 1 year; March 31, 2022 - Rs 14.25 Crores)	- Repayable by Sep, 2023.
6.	Term Loan of Rs. 31.37 Crores (March 31, 2022 - Rs. Nil Crores) is secured by way of a first pari passu charge created on all movable properties both present and future, pertaining to the Company's Hariawan Sugar Complex, Uttar Pradesh . Further, the said loan is also secured by bank guarantee (Rs. Nil Crores due within 1 year; March 31, 2022 - Rs Nil Crores).	- Repayable in 10 equal semi annual installments commencing after 3 years from respective drawdown

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

C. Statements filed with Banks or Financial Institutions

Quarterly returns and statements filed by the Company with banks or financial institutions are in agreement with the books of accounts.

D. Details of charges for which satisfaction is pending with Registrar of Companies (ROC)

S.No.	Brief description of the charges or satisfaction	Location of the Registrar	Period by which such charge had to be satisfied and Reason for delay in satisfaction
1	Charge Created with serial no. B95467767, charge ID 10032179 on 22-12-2006 and modified subsequently on 16-12-2013 in favor of The President of India, Ministry of Food And Civil Supply through IFCI Limited, IFCI Tower, 61 Nehru Place, New Delhi -110019	New Delhi	The loan has been repaid fully on the due date and NOC is pending from the lender in this regard. The company is following up for the NOC from the lender and the charge will be satisfied at the earliest.
2	Charge Created with serial no. Z00931792, charge ID 80056154 dated 22-08-1979 in favor of The Rajasthan State Electricity Board, Main Market, Jaipur, Rajasthan-302005	New Delhi	The said charge was created in FY 1980 (by erstwhile DCM Ltd). This got transferred to the Company in FY 1990 pursuant to reconstruction arrangement of erstwhile DCM Ltd. There is no outstanding in books of accounts as on date against this charge. The Company is in the process of identifying the authority from whom the NOC can be obtained in order to file satisfaction of charge with ROC.

42. Income tax expense

	Rs. Crores	
	This year	Previous year
(a) Income tax expense		
Current tax		
Current tax on profits for the year	247.05	272.10
Adjustments for current tax of earlier years*	-	(1.22)
Total current tax expense	247.05	270.88
Deferred tax		
Deferred tax charge/(credit)	259.71	221.74
Adjustments for deferred tax of earlier years*	(13.76)	(1.81)
Total deferred tax expense/(benefit)	245.95	219.93
Total tax expense	493.00	490.81
(b) Reconciliation of tax expense and the accounting profit		
Profit before tax	1,454.49	1,539.56
Income tax expense calculated at 34.944%	508.26	537.98
Tax adjustment of earlier years	(13.76)	(3.03)
(i) Tax effect of:		
- Corporate social responsibility expenses not allowed as deduction	6.32	4.78
- Deduction under section 80-IA of the Income tax act 1961	-	(41.49)
- deductible temporary differences on which no deferred tax is recognised	-	-
(ii) Others	(7.82)	(7.43)
Income tax expense	493.00	490.81

(c) Tax effect on unrecognised temporary differences relating to:

	This year	Previous year
(i) Provision for impairment in value of investments/loans and advances in subsidiaries	37.79	25.27
Total	37.79	25.27

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

(d) Deferred tax movements

Deferred tax assets/(liabilities) in relation to:

Rs. Crores

	Provision for gratuity and compensated absences	Provision for doubtful debts and advances	Depreciation	Others	MAT credit entitlement	Total
As at April 1, 2021	96.34	45.78	(551.54)	19.02	393.72	3.32
(Charged)/credited to:						
Profit or loss	2.19	2.68	(12.43)	(5.66)	(210.94)	(224.16)
Other comprehensive income	(0.28)	-	-	4.81	-	4.53
Adjustment related to earlier years *	-	-	0.11	(0.72)	2.42	1.81
As at March 31, 2022	98.25	48.46	(563.86)	17.45	185.20	(214.50)
(Charged)/credited to:						
Profit or loss	5.37	(18.12)	(55.00)	0.83	(192.79)	(259.71)
Other comprehensive income	(0.16)	-	-	(6.61)	-	(6.77)
Adjustment related to earlier years *	-	(7.46)	(1.72)	15.35	7.59	13.76
As at March 31, 2023	103.46	22.88	(620.58)	27.02	-	(467.22)

* Tax charge of earlier years finalised on filing of returns/completion of assessments with corresponding impact on MAT

43 Financial instruments by category

The criteria for recognition of financial instruments is explained in significant accounting policies note 1.3 (k)

Rs. Crores

	As at March 31, 2023			As at March 31, 2022		
	Amortised cost*	FVTOCI	FVTPL	Amortised cost*	FVTOCI	FVTPL
Financial assets						
Investments						
- Equity instruments	-	1.85	8.68	-	1.85	-
- Preference shares	-	-	-	0.88	-	-
- Government securities	0.06	-	-	0.06	-	-
Trade receivables	790.20	-	-	853.95	-	-
Loans	26.42	-	-	160.46	-	-
Cash and cash equivalents and bank balances	561.10	-	353.43	823.87	-	726.20
Derivative financial assets	-	-	5.75	-	-	2.29
Others	73.17	-	-	65.48	-	-
Total financial assets	1,450.95	1.85	367.86	1,904.70	1.85	728.49
Financial liabilities						
Borrowings	1,634.43	-	-	1,504.62	-	-
Lease liability	72.26	-	-	66.63	-	-
Trade payables	949.05	-	-	909.06	-	-
Other financial liabilities	413.74	-	-	219.30	-	-
Derivative financial liabilities	-	-	-	-	-	8.66
Total financial liabilities	3,069.48	-	-	2,699.61	-	8.66

* The fair value of non-current financial assets and financial liabilities carried at amortized cost is substantially same as their carrying amount.

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

44 Capital management

The Company endeavours to optimize debt and equity balance and provide adequate strength to the balance sheet. The Company monitors capital on the basis of debt equity ratio.

45 Financial risk management

The Company's activities expose it to various financial risks : Credit risk, Liquidity risk and Market risk.

45.1 Credit risk management

Credit risk arises from credit exposure to customers (including receivables and deposit), loans and other financial assets. The Company perform credit evaluation and defines credit limits for each customer/counter party. The Company also continuously reviews and monitors the same.

The provision for doubtful debts or provision for impairment of investments etc is made on case to case basis, based on the information related to financial position, past history/ageing and other relevant available information about the counterparty.

The Company also makes provision for lifetime expected credit loss based on its previous experience of provision/write off in previous years.

The movement in the provision for doubtful debts and provision diminution in value of investments is as under:

Particulars	Rs. Crores		
	Trade receivables	Loans	Investments
As at April 1, 2021	65.61	26.27	81.40
Provision made during the year 2021-22	7.43	-	-
Adjustment pursuant to merger	-	-	(14.41)
Provision as at March 31, 2022	73.04	26.27	66.99
Provision made / (reversal including writte off) during the year 2022-23	(13.29)	0.24	14.64*
Provision as at March 31, 2023	59.75	26.51	81.63

* Includes Rs. 13.76 crores apportioned from provision against doubtful recovery of interest created in earlier year, which is no longer required.

45.2 Liquidity risk management

(i) The Company manages liquidity by ensuring control on its working capital which involves adjusting production levels and purchases to market demand and daily sales of production and low receivables. It also ensures adequate credit facilities sanctioned from bank to finance the peak estimated funds requirements. The working capital credit facilities are continuing facilities which are reviewed and renewed every year.

The Company also ensures that the long term funds requirements are met through adequate availability of long term capital (Debt & Equity)

	Rs. Crores	
	As at March 31, 2023	As at March 31, 2022
Total Committed working capital limits from Banks	1,069.00	829.00
Utilized working capital limit	323.00	403.00
Unutilized working capital limit	746.00	426.00

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amount disclosed in the table are the contractual undiscounted cash flow.

Contractual maturities of financial liabilities

Rs. Crores

	Upto 1 year	Between 1 year to 5 year	Over 5 years	Total
As at March 31, 2023				
Non-derivatives				
Borrowing *	157.70	794.81	369.20	1,321.71
Trade Payables	949.05	-	-	949.05
Lease liabilities	12.70	53.98	5.58	72.26
Other financial liabilities	413.71	0.03	-	413.74
Total non-derivative liabilities	1,533.16	848.82	374.78	2,756.76
Derivatives (net settled)				
Interest rate swap	-	-	-	-
Foreign exchange forward contracts	-	-	-	-
Total derivative liabilities	-	-	-	-
As at March 31, 2022				
Non-derivatives				
Borrowing *	150.28	550.49	410.25	1,111.02
Trade Payables	909.06	-	-	909.06
Lease liabilities	11.93	44.04	10.66	66.63
Other financial liabilities	219.25	0.05	-	219.30
Total non-derivative liabilities	1,290.52	594.58	420.91	2,306.01
Derivatives (net settled)				
Interest rate swap	-	-	-	-
Foreign exchange forward contracts	8.66	-	-	8.66
Total derivative liabilities	8.66	-	-	8.66

* Excludes utilized working capital limited disclosed in note 45.2 (i)

(iii) Reconciliation for financial liabilities arising from financing activities as per Para 44A of IndAS 7.

Rs. Crores

Particulars	Long term borrowings	Short term borrowings	Interest accrued on borrowings	Lease liability
Opening balance as on April 1, 2021	1,175.98	276.67	6.27	67.12
Add: Additions during the year	239.18	162.78*	56.30	19.49
Less: Repayments during the year	(365.02)	-	(57.46)	(16.94)
Add/(Less): Foreign exchange fluctuation (gain)/loss	7.25	-	-	-
Less: Derecognition during the year	-	-	-	(3.04)
Add/(Less): Amortisation impact on borrowings	7.78	-	-	-
Closing balance as on March 31, 2022	1,065.17	439.45	5.11	66.63
Add: Additions during the year	431.80	115.00*	86.69	19.90
Less: Repayments during the year	(205.15)	-	(87.10)	(14.27)
Add/(Less): Foreign exchange fluctuation (gain)/loss	19.00	-	-	-
Less: Derecognition during the year	-	-	-	-
Add/(Less): Amortisation impact on borrowings	(0.84)	-	-	-
Closing balance as on March 31, 2023	1,309.98	324.45	4.70	72.26

* net movement during the year

45.3 Market Risk

a) The Company's operations are mainly in India and therefore rupee denominated, except the following:

- Foreign currency denominated loans (Long term & Short term)
- Imports of some raw material, stores & spares and capital equipments
- Export of finished goods

The Company follows a policy of keeping these liabilities/assets fully hedged against foreign currencies. Regarding interest rate fluctuation, it follows a policy of partial hedge.

Some of the rupee liabilities have interest linked to the bank's MCLR or Financial market benchmark rates and are subject to variation in such rates.

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

b) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate change at the end of the reporting period are as follows:

	As at March 31, 2023	As at March 31, 2022
Variable rate borrowings		
Long Term	607.50	536.41
Short Term	105.83	193.97
Total Variable rate borrowings	713.33	730.38
Fixed rate borrowings		
Long Term	546.24	414.93
Short Term	374.86	359.31
Total fixed Rate borrowings	921.10	774.24
Total Borrowings	1,634.43	1,504.62

c) Sensitivity

Variable interest rate loans are exposed to Interest rate risk, the impact on Profit before tax may be as follows:

	Increase/(Decrease)	
	This year	Previous year
Interest rate- increase by 100 basis points (100 bps)*	(7.13)	(7.30)
Interest rate- decrease by 100 basis points (100 bps)*	7.13	7.30

* Holding all other variable constant

45.4 Impact of hedging activities

(a) Disclosure of effects of hedge accounting on financial position:

Type of hedge and risks	Nominal value of hedged instruments#		Carrying amount of hedging instrument##		Maturity date	Hedge ratio	Weighted average strike price/rate	Gain(loss) in fair value of hedging instrument	Gain(loss) in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
March 31, 2023									
Cash Flow hedge									
Foreign exchange risk									
(i) Foreign exchange forward contracts	244.87	37.94	248.82	37.82	3-April 23 to 27-Sep-23	1:1	USD 82.13 EUR 83.21 JPY 0.59 CHF 82.10 GBP 100.17 SEK 7.94 AED 22.44	4.07	4.07
Fair value hedge									
(i) Foreign exchange forward contracts	222.54	13.41	249.41	13.44	11-Apr-23 to 17-Mar-31	1:1	USD 73.22 EUR 88.77 CNH 12.16	26.92	26.92
March 31, 2022									
Cash Flow hedge									
Foreign exchange risk									
(i) Foreign exchange forward contracts	321.69	37.51	313.99	37.52	05-Apr-22 to 17-Feb-23	1:1	USD 75.74 EUR 84.73 JPY 0.66 CHF 81.85 GBP 100.18	(7.63)	(7.63)
Fair value hedge									
(i) Foreign exchange forward contracts	232.09	51.96	242.34	53.80	4-Apr-22 to 31-Jan-23	1:1	USD 69.97 EUR 88.61 JPY 0.65	8.34	8.34

Nominal value is the INR value of the instrument based on spot rate of the first hedge

Carrying value is the INR value of the instrument based on the spot rate of the reporting date

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

(b) Disclosure of effect of hedge accounting on financial performance

Movement in cash flow hedging reserve

Rs. Crores

Risk category Derivative instrument	Foreign currency risk	Interest rate risk	Total
	Foreign exchange forward contracts	Interest rate swaps	
Cash flow hedging reserve			
As at April 1, 2021	1.36	(2.04)	(0.68)
Add: Change in spot element of foreign exchange forward contracts	(17.28)	-	(17.28)
Add: Changes in fair value of interest rate swaps	-	3.81	3.81
Less: Amount reclassified to profit or loss under the heading 'Cost of materials consumed'	(0.42)	-	(0.42)
Less: Amount included in Property, plant and equipment	0.14	-	0.14
Less: Deferred tax relating to above (net)	4.81	-	4.81
As at March 31, 2022	(11.39)	1.77	(9.62)
Add: Change in spot element of foreign exchange forward contracts	2.61	-	2.61
Add: Changes in fair value of interest rate swaps	-	0.77	0.77
Less: Amount reclassified to profit or loss under the heading 'Cost of materials consumed'	1.28	-	1.28
Less: Amount included in Property, plant and equipment or capital advance	14.25	-	14.25
Less: Deferred tax relating to above (net)	(6.34)	(0.27)	(6.61)
As at March 31, 2023	0.41	2.27	2.68

46 Fair value hierarchy (refer note 43)

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table presents fair value hierarchy of financial assets and financial liabilities measured at fair value on a recurring basis:

Rs. Crores

	Level 1	Level 2	Level 3	Total
As at March 31, 2023				
Financial assets				
Investments in liquid mutual fund at FVTPL	353.43	-	-	353.43
Investments in equity shares (unquoted) at FVTPL	-	-	8.68	8.68
Investments in equity shares (unquoted) at FVTOCI	-	-	1.85	1.85
Foreign currency forward contracts designated in hedge accounting relationship	2.48	-	-	2.48
Interest rate swaps designated in hedge accounting relationship at FVTOCI	-	3.27	-	3.27
Other derivatives (foreign currency options) at FVTPL	-	-	-	-
Total financial assets	355.91	3.27	10.53	369.71
Financial liabilities				
Foreign currency forward contracts designated in hedge accounting relationship	-	-	-	-
Total financial liabilities	-	-	-	-
As at March 31, 2022				
Financial assets				
Investments in liquid mutual fund at FVTPL	726.20	-	-	726.20
Investments in equity shares (unquoted) at FVTOCI	-	-	1.85	1.85
Interest rate swaps designated in hedge accounting relationship at FVTOCI	-	2.18	-	2.18
Other derivatives (foreign currency options) at FVTPL	-	0.11	-	0.11
Total financial assets	726.20	2.29	1.85	730.34
Financial liabilities				
Foreign currency forward contracts designated in hedge accounting relationship	8.66	-	-	8.66
Total financial liabilities	8.66	-	-	8.66

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 inputs are unobservable inputs for the asset or liability

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

47. Asset classified as held for sale

The segment to which the 'assets held for sale' relates are as under:

Particulars	Rs. Crores	
	As at March 31, 2023	As at March 31, 2022
- Sugar	0.40	1.07
- Bioseeds	1.73	1.73
- Chloro Vinyl	-	6.45
- Shriram Farm Solutions	1.37	1.37
- Others (Hariyali Kisaan Bazaar)	11.84	23.05
- Unallocated	7.98	7.77
	23.32	41.44

Assets classified as held for sale is measured at the lower of the carrying amount and fair value less costs to sell at the reporting date. The fair value of the assets held for sale is determined using level 3 measurement as per the fair value hierarchy set out in fair value measurement disclosures.

Amounts recognised in the statement of profit and loss on assets held for sale is as under:

Particulars	Rs. Crores	
	This year	Previous year
Provision/(Reversal) for impairment in value of assets held for sale included in 'other expenses' in the statement of profit and loss	(0.21)	(4.06)
Profit (net) recognised in 'other income' in the statement of profit and loss on sale of assets held for sale	12.90	7.33

48. Disclosure as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is as follow based on the information available with the Company.

Particulars	Rs. Crores	
	This year	Previous year
Principal amount outstanding as at year end	40.64	35.83
Amount of interest paid during the year along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil
Amount of interest due and payable during the year	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of year	Nil	Nil

49. Disclosures related to government grant

The government grant/government assistance recognised are as under:

Nature of Grant/assistance	Income/Expense head	Rs. Crores	
		This year	Previous year
Sugar			
Sugar export assistance	Sale of products	-	1.19
Sugar export assistance	Other operating revenue	-	8.70
Interest subsidy	Other income	11.58	6.03
Benefit of loan at concessional rate of interest	Other income	3.78	5.55
Bioseed			
Benefit of loan at concessional rate of interest	Other income	0.02	0.01
Chloro Vinyl			
Incentives under Industrial Policy 2015 of Government of Gujarat	Other income	5.80	-

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

50 Hon'ble High Court of Allahabad vide its order dated February 12, 2019 has set aside and quashed the notification withdrawing the Sugar Industrial Promotion Policy 2004 (Policy). The State Government has filed special leave petition (SLP) with Supreme Court against the above said order. The Company has not accrued the benefits consequent to the above said order due to uncertainties of the amount and the collection thereof.

51 Information with respect to a joint venture is as under (refer note 3.1):

- (a) In October 2021, the Company acquired 1,732,500 equity shares (entire 50% stake of JV Partner) of Shriram Axiall Private Limited (now Shriram Polytech Limited) from the JV Partner Axiall LLC USA, thereby making it a 100% subsidiary of the Company.
- (b) Share in JV upto 18th October 2021

Particulars	Rs. Crores
Share of profit before tax	1.64
Share of profit after tax	1.22
Share of other comprehensive income/(loss)	-
Share of total comprehensive income/(loss)	1.22
Ownership Interest	50%

52 The Board of Directors, in its meeting held on May 02, 2023, have recommended a final dividend of Rs. 3.60/- per equity share of Rs 2/- each aggregating to Rs. 56.14 crores for the financial year ended March 31, 2023. The recommendation is subject to the approval of shareholders at the forthcoming Annual General Meeting.

53 Disclosures related to title deeds of the immovable properties not held in the name of the Company

(i) as at March 31, 2023

Rs. Crores						
Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, Plant and Equipment	Freehold land	1.56	Andhra Pradesh Industrial Infrastructure Corporation Limited (now Telangana State Industrial Infrastructure Corporation[TSIIC])	No	2007-08	Refer note below*

(ii) as at March 31, 2022

Rs. Crores						
Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, Plant and Equipment	Freehold land	1.56	Andhra Pradesh Industrial Infrastructure Corporation Limited (now Telangana State Industrial Infrastructure Corporation[TSIIC])	No	2007-08	Refer note below*

* The Company has filed a writ petition before High Court of Telangana against cancellation of provisional allotment of the Land by TSIIC. The High Court has provided an interim stay against cancellation.

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

54. Disclosures related to shareholding of the promoters

Shares held by promoters at the end of the year		No. of Shares		% of total shares		% Change during
S. No	Promoter name	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	FY 2022-23
1	SUMANT INVESTMENTS PRIVATE LIMITED	98,282,744	98,282,744	63.03%	63.03%	-
2	AJIT S. SHRIRAM	595,580	595,580	0.38%	0.38%	-
3	AJAY S. SHRIRAM (HUF)	559,330	559,330	0.36%	0.36%	-
4	VIKRAM S. SHRIRAM (HUF)	550,200	550,200	0.35%	0.35%	-
5	VIKRAM S. SHRIRAM	503,310	503,310	0.32%	0.32%	-
6	AJIT S. SHRIRAM (HUF)	500,000	500,000	0.32%	0.32%	-
7	AJAY S. SHRIRAM	493,780	493,780	0.32%	0.32%	-
8	TARA A. SHRIRAM	299,900	299,900	0.19%	0.19%	-
9	ANAND A. SHRIRAM	298,070	298,070	0.19%	0.19%	-
10	NAINIKA V. SHRIRAM	297,900	297,900	0.19%	0.19%	-
11	ADITYA A. SHRIRAM	297,760	297,760	0.19%	0.19%	-
12	PRANAV V. SHRIRAM	297,190	297,190	0.19%	0.19%	-
13	VARUN A. SHRIRAM	296,900	296,900	0.19%	0.19%	-
14	PRABHA SHRIDHAR	220,000	220,000	0.14%	0.14%	-
15	KAVITA V. SHRIRAM	78,680	78,680	0.05%	0.05%	-
16	VANDANA A. SHRIRAM	78,340	78,340	0.05%	0.05%	-
17	RICHA A. SHRIRAM	34,900	34,900	0.02%	0.02%	-
18	AMBIKA JAIPAL SINGH(Jointly with JAYANT JAIPAL SINGH)	34,350	34,350	0.02%	0.02%	-
19	OM PRAKASH JHALANI(Jointly with ANOOP JHALANI AND PRADEEP JHALANI)	5,000	5,000	0.00%	0.00%	-
20	KAUSHIK DEVA	13,000	13,000	0.01%	0.01%	-
	Total	103,736,934	103,736,934	66.49%	66.49%	

55. Disclosures of Ratios

Particulars	UoM	Mar'23	Mar'22	%variance	Reasons for change (in case of±25% deviation from previous year)
(a) Current Ratio	Times	1.81	2.24	-19.20%	N.A.
(b) Debt-Equity Ratio	Times	0.12	0.01	1100.00%	Increase on account of debt taken in current year for ongoing capital project.
(c) Debt Service Coverage Ratio	Times	11.92	8.70	37.01%	Increase on account of lower repayment of debt in current year
(d) Return on Equity Ratio	%	16.28	20.48	-20.51%	N.A.
(e) Inventory turnover ratio	Times	6.18	5.77	7.11%	N.A.
(f) Trade Receivables turnover ratio	Times	12.09	13.72	-11.88%	N.A.
(g) Trade payables turnover ratio	Times	6.84	7.15	-4.34%	N.A.
(h) Net capital turnover ratio	Times	4.72	3.89	21.34%	N.A.
(l) Net profit ratio	%	8.18	10.90	-24.95%	N.A.
(j) Return on Capital employed	%	27.24	34.48	-21.00%	N.A.
(k) Return on investment	%	5.70	4.25	34.12%	Increase on account of higher returns, in line with change in market scenario.

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

Formulae for ratios

Rs. Crores

Particulars	Formulae
Current ratio	Current assets/Current liabilities
Debt-Equity ratio	Net Debt ¹ /Total Equity
Debt service coverage ratio	Earnings ² /Net finance charges ³ + repayment of long term borrowings (excluding prepayments) during the period
Return on equity ratio	Profit after tax/Average net worth ⁴
Inventory turnover ratio	Sale of products/Average inventory ⁵
Trade receivables turnover ratio	Sale of products/Average trade receivables ⁶
Trade payables turnover ratio	Total purchases ⁷ /Average trade payables ⁸
Net capital turnover ratio	Sale of products/Average working capital ⁹
Net profit ratio	Profit after tax/Sale of products
Return on capital employed	Earnings before interest and tax (EBIT)/Average Capital employed ¹⁰
Return on investment	Income on investments/weighted average investments

1. Net debt = Total borrowings - cash and cash equivalents - bank balances other than cash and cash equivalents (other than earmarked balances)
2. Earnings = Profit before tax (+) Depreciation and amortisation (+) Finance cost (-) interest and dividend income (-) net gain/(loss) on sale of current investments
3. Net finance charges = Finance cost (including interest capitalised on qualifying assets during construction period) (-) interest and dividend income (-) net gain/(loss) on sale of current investments
4. Average network¹⁰ = On year end closing basis
(i) Net worth = Equity share capital + other equity (excluding share held by trust under ESPS and cash flow hedging reserve)
5. Average inventory = On quarter closing basis*
6. Average trade receivables = On quarter closing basis*
7. Total purchases = Cost of raw material consumed + Consumption of stores and spares + Purchases of stock-in-trade + Change in inventories of raw material and stores & spares
8. Average trade payables = On quarter closing basis*
9. Average working capital⁹ = On quarter closing basis*
(ii) Working capital = Current assets - Current liabilities
10. Average capital employed¹⁰ = On quarter closing basis*
(iii) Capital employed = Total assets [excluding Investments, Cash and cash equivalents, bank balances other than cash and cash equivalents (other than earmarked balances), Capital work in progress, Capital advances and Intangible assets under development] - Total liabilities [excluding total borrowings, Capital creditors and Deferred tax assets/(liabilities)(net)]
11. Profit before interest, depreciation and tax (EBIDTA) = Profit before tax (+) Depreciation and amortisation (+) Finance costs

* Opening and closing numbers are audited, while, quarter ended June, September, December numbers are based on unaudited books of accounts

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

56 Statement showing ageing schedules pursuant to Schedule III of the Companies Act 2013

(a) Capital work in progress

(i) As at March 31, 2023

1. Ageing of Capital work in progress

Rs. Crores

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,205.56	283.59	57.29	7.75	1,554.19
Others	45.34	1.82	1.07	-	48.23
Total	1,250.90	285.41	58.36	7.75	1,602.42

2. Capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan:

Rs. Crores

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress				
120 MW Captive thermal power plant	540.28	-	-	-
Hydrogen Peroxide (H2O2)	214.75	-	-	-
Total	755.03	-	-	-

(b) Ageing of Intangible assets under development

Rs. Crores

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (Pertaining to development of trait for seeds)	2.60	3.48	0.72	5.04	11.84
Total	2.60	3.48	0.72	5.04	11.84

(a) Capital work in progress

(i) As at March 31, 2022

1. Ageing of Capital work in progress

Rs. Crores

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	385.87	57.88	10.47	-	454.22
Others	30.82	0.49	-	-	31.31
Total	416.69	58.37	10.47	-	485.53

2. Capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan:

Rs. Crores

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress				
120 MW Captive thermal power plant	321.04	-	-	-
Total	321.04	-	-	-

(b) Ageing of Intangible assets under development

Rs. Crores

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (Pertaining to development of trait for seeds)	3.48	0.72	5.04	-	9.24
Total	3.48	0.72	5.04	-	9.24

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2023

57 Statement showing ageing schedules pursuant to Schedule III of the Companies Act 2013

(a) Trade payables ageing schedule

(i) As at March 31, 2023

Rs. Crores

Particulars	Not due*	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payable						
(i) total outstanding dues of micro enterprises and small enterprises	40.64	-	-	-	-	40.64
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	513.50	367.44	5.20	3.88	18.38	908.40
Disputed trade payable	-	-	-	-	-	-

* includes unbilled dues

(ii) As at March 31, 2022

Rs. Crores

Particulars	Not due*	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed trade payable						
(i) total outstanding dues of micro enterprises and small enterprises	35.83	-	-	-	-	35.83
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	491.77	356.25	0.87	3.05	21.29	873.23
Disputed trade payable	-	-	-	-	-	-

* includes unbilled dues

(b) Trade receivables ageing schedule

(i) As at March 31, 2023

Rs. Crores

Particulars	Not due	Outstanding for following periods from due date of payment					Total*
		Less than 6 month	6 month -1 years	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables							
- considered good	405.61	261.44	73.30	14.30	10.37	1.61	766.63
- credit impaired	-	0.03	0.13	1.40	3.51	37.31	42.38
(ii) Disputed Trade Receivables							
- considered good	-	0.04	0.05	0.70	0.22	1.86	2.87
- credit impaired	-	-	0.04	1.81	0.32	15.20	17.37
(iii) Unbilled revenue							20.70
Less: Provision for credit impaired receivables							(59.75)
Total							790.20

* Also refer note number 29

(ii) As at March 31, 2022

Rs. Crores

Particulars	Not due	Outstanding for following periods from due date of payment					Total*
		Less than 6 month	6 month -1 years	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables							
- considered good	107.78	524.02	147.21	52.84	1.57	3.15	836.57
- credit impaired	-	-	0.74	2.89	14.60	43.67	61.90
(ii) Disputed Trade Receivables							
- considered good	0.14	0.24	0.27	0.35	0.19	0.11	1.30
- credit impaired	-	0.42	0.13	0.40	2.12	8.07	11.14
(iii) Unbilled revenue							16.08
Less: Provision for credit impaired receivables							(73.04)
Total							853.95

* Also refer note number 29

Notes to the Standalone Financial Statements For The Year Ended March 31, 2023

58. Disclosure of transactions with struck off companies

Balance outstanding and nature of transactions with struck off companies as per sec 248 of the Companies Act 2013 :

Rs. Crores

Name of the struck off company	Nature of the transaction	Relationship with the struck off company	Balance outstanding	
			As at 31.03.2023	As at 31.03.2022
PAS Security Services Private Limited	Payable	N.A.	-	0.01
Naveli Decor Private Limited	Payable	N.A.	0.83	0.61
Prakashraj Realestate Developers Private Limited	Payable	N.A.	0.01	-

59. Particulars of sales

Rs. Crores

Description	Sales	
	2022-23	2021-22
Urea	1,984.01	1,324.86
PVC resins	552.92	909.77
Caustic soda	3,116.01	2,174.54
Calcium carbide	207.71	197.15
Seeds	926.51	809.51
Cement	171.22	174.24
Sugar	2,027.59	1,612.06
Ethanol	705.50	677.28
Windows and doors	687.67	522.53
Power Sale	92.89	95.62
Petrol / Diesel	147.55	164.92
Others	1,199.32	1,042.48
Less: Inter segment revenue	(71.54)	(81.15)
Total	11,747.36	9,623.81

For and on behalf of the Board of Directors

Sameet Gambhir
Company Secretary
Place: New Delhi
Date : May 02, 2023

Amit Agarwal
Chief Financial Officer
Place: New Delhi

Pradeep Dinodia
Director
DIN: 00027995
Place: New Delhi

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137
Place: New Delhi

Independent Auditor's Report

To the Members of DCM Shriram Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of DCM Shriram Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information..
2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2023, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143 (10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in the sub-paragraph (a) of the Other Matters section below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements..

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report..

Key Audit Matter	Auditor's Response
<p>Impact of government policies/ notifications on recognition of subsidy accruals/claims and their recoverability .</p> <p>During the year, the Group has recognized accruals/subsidy claims amounting to Rs. 1,775.88 crores (net) and as at March 31, 2023, the Group has receivables of Rs. 310.22 crores relating to such claims which is significant to consolidated financial statements.</p> <p>We considered this to be a Key Audit Matter because recognition of accruals/claims and assessment of recoverability of the claims is subject to significant judgement of the management. The area of judgement includes certainty around the satisfaction of conditions specified in the notifications/policies, collections, provisions thereof, likelihood of variation in the estimation of the related computation rates and the final notification, and basis for determination of accruals/claims.</p> <p>(Refer to the accompanying notes 1.4(g)(ii), 1.5(vi)(b), 19 and 29 forming integral part of the consolidated financial statements)</p>	<p>Principal audit procedures performed:</p> <p>Our audit approach consisted evaluation of design and implementation of controls, and testing the operating effectiveness of the internal controls over :</p> <ul style="list-style-type: none"> • Recognition of accruals/ claims; • Preparation and validation of the Subsidy schedule; • Assessment of the recoverability of the claims. <ul style="list-style-type: none"> • We evaluated the management's assessment regarding reasonable certainty for complying with the relevant conditions as specified in the Notifications / policies and collections. • We considered the relevant notifications/policies issued by various authorities to ascertain the appropriateness of the recognition of accruals/claims, adjustments to claims already recognised pursuant to changes in the rates and basis for determination of claims. • We tested the ageing analysis and assessed the information used by the management to determine the recoverability of the claims by considering historical trends of collection against claims, the level of expected credit loss charged over time, provisions created and reversal thereof in the consolidated financial statements. <p>Based on the above procedures performed, the management's estimates related to recognition of subsidy accruals/claim and their recoverability are considered to be reasonable.</p>

Independent Auditor's Report

Information Other than the Financial Statements and Auditor's Report Thereon.

- The Parent's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.
- Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the consolidated financial statements, our responsibility is to read the other information, compare with the financial statements of the subsidiaries audited by the other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far as it relates to the subsidiaries is traced from their financial statements audited by the other auditors.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Parent's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management of the companies included in the Group are responsible for assessing the ability of the respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate their respective entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Parent Company has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction,

Independent Auditor's Report

supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Parent Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- (a) We did not audit the consolidated financial statements of two subsidiaries, and standalone financial statements of eight subsidiaries, whose financial statements reflect total assets of Rs. 292.60 crores as at March 31, 2023, total revenues of Rs. 133.12 crores and net cash outflows amounting to Rs. 3.75 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of subsection (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.
- (b) The comparative financial information of the Group for the year ended March 31, 2022 prepared in accordance with Ind AS included in these consolidated financial statements have been audited by the predecessor auditor. The report of the predecessor auditor on the comparative financial information dated May 05, 2022 expressed an unmodified opinion

Our opinion on the consolidated financial statements above and our report

on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above we report, to the extent applicable that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
 - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
 - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements
 - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent and subsidiary companies, incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls with reference to consolidated financial statements of those companies.
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended,

In our opinion and to the best of our information and according to the explanations given to us and based on the auditor's reports of subsidiary companies incorporated in India, the remuneration paid by the Parent and such subsidiary companies to their respective directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the

Independent Auditor's Report

- Group. Refer Note 28 to the consolidated financial statements.
- ii) The Group has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on derivative contracts. The Group did not have any long-term contracts for which there were any material foreseeable losses.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by its subsidiary companies incorporated in India.
 - iv)
 - (a) The respective Managements of the Parent company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us and to the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, other than as disclosed in the note 53(a) and 53(b) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective Managements of the Parent company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, other than as disclosed in the note 53 to the consolidated financial statements, no funds have been received by the Parent company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures performed that have been

considered reasonable and appropriate in the circumstances performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v) The final dividend proposed in the previous year, declared and paid by the Parent company during the year is in accordance with section 123 of the Act, as applicable. The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with section 123 of the Act.

As stated in note 54 to the consolidated financial statements, the Board of Directors of the Parent company have proposed final dividend for the year which is subject to the approval of the members of the Parent Company at the ensuing Annual General Meeting. Such dividend proposed is in accordance with section 123 of the Act, as applicable.
- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Parent Company and its subsidiaries, which are companies incorporated in India, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. With respect to the matters specified in clause (xxi) of paragraph 3 and paragraph 4 of the Companies (Auditor's Report) Order, 2020 ("CARO"/ "the Order") issued by the Central Government in terms of Section 143(11) of the Act, according to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent company, we report that there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No.015125N)

Vijay Agarwal

Partner
(Membership No. 094468)

UDIN: 23094468BGYINU4233

Place: New Delhi
Date: May 02, 2023

Independent Auditor's Report

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of DCM Shriram Limited (hereinafter referred to as "Parent") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the internal control with reference to consolidated financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI)". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Parent and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Parent, and its subsidiary companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to consolidated financial statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matter paragraph below, the Parent and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the criteria for internal financial control with reference to consolidated financial statements established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to consolidated financial statements of two subsidiary companies and standalone financial statements of eight subsidiary companies, which are companies incorporated in India, is based solely on the corresponding reports of the auditors of such companies incorporated in India.

Our opinion is not modified in respect of the above matter.

For Deloitte Haskins & Sells
Chartered Accountants
(Firm's Registration No.015125N)

Vijay Agarwal
Partner

Place: New Delhi
Date: May 02, 2023

Membership Number: 094468
UDIN: 23094468BGYINU4233

Consolidated Balance Sheet

As At March 31, 2023

	Note	As at March 31, 2023 Rs. Crores	As at March 31, 2022 Rs. Crores
ASSETS			
Non-current assets			
Property, plant and equipment (Including Right of use assets)	2.1	4,011.64	3,315.06
Capital work-in-progress	2.1	1,618.26	485.08
Investment property	2.2	0.70	0.70
Goodwill	2.3	81.15	81.15
Other intangible assets	2.3	11.65	11.58
Intangible assets under development	2.3	11.84	9.24
Financial assets			
Investments			
- Other investments	3.1	12.18	3.01
Loans	3.2	20.87	25.30
Other financial assets	3.3	43.13	34.15
Deferred tax assets (Net)	4	1.86	1.61
Other non-current assets	5	199.61	226.58
Total non-current assets		6,012.89	4,193.46
Current assets			
Inventories	6	2,376.47	2,305.94
Financial assets			
Trade receivables	7.1	868.91	906.75
Cash and cash equivalents	7.2	450.15	931.70
Bank balances other than cash and cash equivalents	7.3	523.84	675.17
Loans	7.4	8.14	4.43
Other financial assets	7.5	34.67	32.63
Current tax assets (Net)	8	112.41	41.37
Other current assets	9	311.05	236.65
Total current assets		4,685.64	5,134.64
Assets classified as held for sale	10	23.32	42.79
Total assets		10,721.85	9,370.89
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	31.35	31.35
Other equity	12	6,162.40	5,470.45
Total Equity		6,193.75	5,501.80
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	13.1	1,153.74	951.34
Lease liabilities		61.19	55.80
Other financial liabilities	13.2	0.03	0.05
Provisions	14	266.31	256.06
Deferred tax liabilities (Net)	4	474.55	222.40
Other non-current liabilities	15	6.33	4.53
Total non-current liabilities		1,962.15	1,490.18
Current liabilities			
Financial Liabilities			
Borrowings	16.1	479.24	557.50
Lease liabilities		13.00	12.63
Trade payables	16.2		
- total outstanding dues of micro enterprises and small enterprises		42.10	37.14
- total outstanding dues of creditors other than micro enterprises and small enterprises		968.64	923.17
Other financial liabilities	16.3	414.83	227.46
Other current liabilities	17	568.72	544.01
Provisions	18	61.50	56.11
Current tax liabilities (Net)	8	1.59	1.73
Total current liabilities		2,549.62	2,359.75
Liabilities associated with assets classified as held for sale		16.33	19.16
Total equity and liabilities		10,721.85	9,370.89

The accompanying notes form an integral part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Firm Registration Number: 015125N
Chartered Accountants

For and on behalf of the Board of Directors

Vijay Agarwal
Partner

Sameet Gambhir
Company Secretary
Place: New Delhi

Amit Agarwal
Chief Financial Officer
Place: New Delhi

Pradeep Dinodia
Director
DIN: 00027995
Place: New Delhi

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137
Place: New Delhi

Membership No. 094468

Place: New Delhi
Date: May 02, 2023

Statement of Consolidated Profit and Loss

For The Year Ended March 31, 2023

	Note	Year ended March 31, 2023 Rs. Crores	Year ended March 31, 2022 Rs. Crores
(a) Revenue from operations	19	12,079.51	9,849.41
(b) Other income	20	119.68	91.90
Total income		12,199.19	9,941.31
Expenses			
(c) Cost of materials consumed		4,784.12	3,956.18
(d) Purchases of stock-in-trade		890.00	856.52
(e) Change in inventories of finished goods, stock-in-trade and work-in-progress	21	-	(376.89)
(f) Excise duty		532.53	221.98
(g) Employee benefits expense	22	890.64	783.29
(h) Finance costs	23	52.81	85.37
(l) Depreciation and amortisation expense	24	260.16	237.95
(j) Power and fuel		2,093.98	1,536.74
(k) Other expenses	25	1,281.82	1,075.19
Total Expenses		10,786.06	8,376.33
Profit before tax		1,413.13	1,564.98
(l) Tax expense			
- Current tax	26	236.41	277.18
- Deferred tax		258.75	224.70
- Tax adjustments related to income from subsidiary (ref note 53 (b))		18.56	-
(m) Total tax adjustments related to earlier years			
- Current tax		2.17	(1.22)
- Deferred tax		(13.60)	(1.81)
Total tax expense		502.29	498.85
Profit after tax		910.84	1,066.13
Share of Profit of Joint Venture (net of tax)		-	1.22
Net Profit attributable to equity shareholders of the Company		910.84	1,067.35
Other Comprehensive Income			
(i) Items that will not be re-classified to profit or loss			
- Remeasurements of defined benefit obligation	32 (ii)	0.62	0.75
- Changes in fair value of equity instruments through other comprehensive income		0.25	0.26
Income tax relating to items that will not be re-classified to profit or loss		(0.15)	(0.31)
(ii) Items that may be re-classified to profit or loss			
- Effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge		18.88	(13.74)
- Exchange differences in translating the financial statements of foreign operations		(0.25)	(1.97)
Income tax relating to items that may be re-classified to profit or loss		(6.60)	4.81
Total Other comprehensive income (net of tax)		12.75	(10.20)
Total Comprehensive income		923.59	1,057.15
Attributable to:			
- Owners of the Company		923.59	1,057.15
- Non-controlling interest		-	-
Profit before interest, depreciation and tax item (EBIDTA)		1,726.10	1,888.30
Earnings per equity share-basic/diluted (Rs.) (face value Rs 2 per share)	27	58.41	68.45

The accompanying notes form an integral part of the consolidated financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Deloitte Haskins & Sells

Firm Registration Number: 015125N

Chartered Accountants

Vijay Agarwal
PartnerSameet Gambhir
Company Secretary
Place: New DelhiAmit Agarwal
Chief Financial Officer
Place: New DelhiPradeep Dinodia
Director
DIN: 00027995
Place: New DelhiAjay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137
Place: New Delhi

Membership No. 094468

Place: New Delhi
Date: May 02, 2023

Statement of Consolidated Changes In Equity For The Year Ended March 31 , 2023

	Other Equity													Total
	Equity Share Capital	Reserves and Surplus							Other comprehensive income			Total Other Equity		
		Securities premium	Capital redemption reserve	Storage fund for molasses account	General Reserve	Surplus in Statement of profit and loss	Statutory Reserve	Capital Reserve	Shares held by Trust under ESPS Scheme	Cash flow hedging reserve	Equity instruments through other comprehensive income		Exchange differences on translating the financial statements of foreign operations	
As at April 1, 2021	31.35	2.31	10.40	1.96	616.83	3,943.09	1.52	37.62	(5.90)	(0.80)	(1.38)	11.14	4,616.79	4,648.14
Profit for the year	-	-	-	-	-	1,067.35	-	-	-	-	-	-	1,067.35	1,067.35
Fair value movements of equity instruments through other comprehensive income	-	-	-	-	-	-	-	-	-	-	0.26	-	0.26	0.26
Remeasurement of defined benefit obligation (net of tax)	-	-	-	-	-	0.44	-	-	-	-	-	-	0.44	0.44
Exchange differences on translating the financial statements of foreign operations	-	-	-	-	-	-	-	-	-	-	-	(1.97)	(1.97)	(1.97)
Effective portion of gain and losses on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	-	-	-	-	-	-	-	-	(8.93)	-	-	(8.93)	(8.93)
Total comprehensive income for the year	-	-	-	-	-	1,067.79	-	-	-	(8.93)	0.26	(1.97)	1,057.15	1,057.15
Movements related to employees stock purchase scheme	-	-	-	-	3.19	-	-	-	-	-	-	-	3.19	3.19
Dividend on shares held by ESPS trust	-	-	-	-	-	1.37	-	-	-	-	-	-	1.37	1.37
Pursuant to acquisition of joint venture (refer note 41)	-	-	-	-	-	-	-	3.58	-	-	-	-	3.58	3.58
Dividend on equity shares (Rs 13.60 per equity share)	-	-	-	-	-	(212.08)	-	-	-	-	-	-	(212.08)	(212.08)
Corporate dividend tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Shares granted to employees under ESPS	-	-	-	-	-	-	-	-	0.45	-	-	-	0.45	0.45
Transfer to/(from) storage fund for molasses	-	-	-	0.60	-	(0.60)	-	-	-	-	-	-	-	-
Transfer to/(from) from statutory reserve	-	-	-	-	-	0.46	(0.46)	-	-	-	-	-	-	-
As at March 31, 2022	31.35	2.31	10.40	2.56	620.02	4,800.03	1.06	41.20	(5.45)	(9.73)	(1.12)	9.17	5,470.45	5,501.80
Profit for the year	-	-	-	-	-	910.84	-	-	-	-	-	-	910.84	910.84
Fair value movements of equity instruments through other comprehensive income	-	-	-	-	-	-	-	-	-	-	0.25	-	0.25	0.25
Remeasurement of defined benefit obligation (net of tax)	-	-	-	-	-	0.47	-	-	-	-	-	-	0.47	0.47
Exchange differences on translating the financial statements of foreign operations	-	-	-	-	-	-	-	-	-	-	-	(0.25)	(0.25)	(0.25)
Effective portion of gain and losses on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	-	-	-	-	-	-	-	-	12.28	-	-	12.28	12.28
Total comprehensive income for the year	-	-	-	-	-	911.31	-	-	-	12.28	0.25	(0.25)	923.59	923.59
Movements related to employees stock purchase scheme	-	-	-	-	5.01	-	-	-	-	-	-	-	5.01	5.01
Dividend on shares held by ESPS trust	-	-	-	-	-	1.85	-	-	-	-	-	-	1.85	1.85
Pursuant to acquisition of joint venture (refer note 41)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend on equity shares (Rs 15.30 per equity share)	-	-	-	-	-	(238.59)	-	-	-	-	-	-	(238.59)	(238.59)
Shares granted to employees under ESPS	-	-	-	-	-	-	-	-	0.09	-	-	-	0.09	0.09
Transfer to/(from) storage fund for molasses	-	-	-	0.19	-	(0.19)	-	-	-	-	-	-	-	-
Transfer to/(from) from statutory reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at March 31, 2023	31.35	2.31	10.40	2.75	625.03	5,474.41	1.06	41.20	(5.36)	2.55	(0.87)	8.92	6,162.40	6,193.75

The accompanying notes form an integral part of the consolidated financial statements

In terms of our report attached
For Deloitte Haskins & Sells
Firm Registration Number: 015125N
Chartered Accountants

For and on behalf of the Board of Directors

Vijay Agarwal
Partner

Sameet Gambhir
Company Secretary
Place: New Delhi

Amit Agarwal
Chief Financial Officer
Place: New Delhi

Pradeep Dinodia
Director
DIN: 00027995
Place: New Delhi

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137
Place: New Delhi

Membership No. 094468

Place: New Delhi
Date: May 02, 2023

Consolidated Cash Flow Statement

For The Year Ended March 31, 2023

	Year ended March 31, 2023 Rs. Crores	Year ended March 31, 2022 Rs. Crores
A. Cash flow from operating activities		
Net profit after tax	910.84	1,066.13
Adjustments for :		
Income tax expense recognized in profit or loss	502.29	498.85
Depreciation and amortization expense	260.16	237.95
Net gain on financial assets and liquid investments	(27.26)	(30.26)
(Profit) on sale of property, plant and equipment (including assets held for sale) (net)	(11.99)	(8.43)
Bad debts, advances, other debts and deposits written off	0.34	0.55
Provision for credit impaired receivables (net)	0.60	7.78
Provision for credit impaired loans and advances (net)	2.56	0.15
Provision for credit impaired other financial assets (net)	-	0.10
(Reversal) for impairment in value of assets (including assets held for sale)	(0.21)	(4.06)
Finance costs	52.81	85.37
Dividend and Interest income	(52.47)	(36.72)
Operating profit before working capital changes	1,637.67	1,817.41
Changes in operating assets and liabilities:		
Decrease/(Increase) in Trade receivables	36.90	(340.47)
(Increase) in Loans and advances	(0.39)	(8.81)
(Increase) / Decrease in Other financial assets	(5.51)	210.82
(Increase) in Inventories	(70.53)	(495.10)
(Increase) in Other current/non-current assets	(73.13)	(74.60)
Increase in Trade payables	50.27	229.08
Increase in Provisions	16.26	5.71
Increase in Other financial liabilities	6.61	44.64
Increase in Other current/non-current liabilities	26.51	111.52
Cash generated from operations	1,624.66	1,500.20
Income taxes paid (net of refunds)	(328.33)	(275.84)
Net cash from operating activities	1,296.33	1,224.36
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(1,797.41)	(751.58)
Purchase of other intangible assets	(6.34)	(6.73)
Decrease / (Increase) in Bank deposits and current account balances with banks	27.93	(77.32)
(Earmarked for unpaid dividend, margin money and deposit with banks for specific purpose)		
Decrease / (Increase) in Callable bank deposits (having original maturity more than 3 months)	116.05	(126.82)
Sale of property, plant and equipment	14.66	12.16
Proceeds from asset held for sale	30.09	39.45
Interest received	54.05	27.13
Profit on sale of investments	27.26	19.65
Purchase of equity shares of joint venture (refer note 41)	-	(23.80)
Investment in shares :		
- Associate	(8.68)	-
- Others	(0.25)	-
Net cash used in investing activities	(1,542.64)	(887.86)
C. Cash flow from financing activities		
Proceeds/ from long term borrowings	431.80	239.18
(Repayment) of long term borrowings	(205.15)	(365.47)
Proceeds/(Repayment) from/of Short term borrowings	(115.00)	163.50
Proceeds/(Repayment) of loans repayable on demand from banks	(5.67)	4.95
Dividends paid	(238.59)	(212.08)
Principal payment of lease liabilities (refer note 34)	(14.69)	(17.56)
Interest paid on lease liabilities (refer note 34)	(5.90)	(5.62)
Finance cost paid	(82.04)	(81.84)
Net cash used in financing activities	(235.24)	(274.94)
Net increase in cash and cash equivalents	(481.55)	61.56
Cash and cash equivalents at the beginning of the year (excluding callable bank deposits)	931.70	870.14
Cash and cash equivalents at the end of the year (excluding callable bank deposits)	450.15	931.70
Note: Cash flow statements are prepared in accordance with 'indirect method' as per IndAS 7 - 'Statement of Cash Flows'		
Reconciliation of cash and cash equivalents as per the Cash flow statement		
Cash and cash equivalents as per above comprise of the following:		
Cash and cash equivalents (refer note 7.2)	450.15	931.70
Balances as per statement of cash flows	450.15	931.70

The accompanying notes form an integral part of the above cash flow statements

In terms of our report attached
For Deloitte Haskins & Sells
Firm Registration Number: 015125N
Chartered Accountants

For and on behalf of the Board of Directors

Vijay Agarwal
Partner

Sameet Gambhir
Company Secretary
Place: New Delhi

Amit Agarwal
Chief Financial Officer
Place: New Delhi

Pradeep Dinodia
Director
DIN: 00027995
Place: New Delhi

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137
Place: New Delhi

Membership No. 094468

Place: New Delhi
Date: May 02, 2023

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

1.1 Group Overview

DCM Shriram Limited ('the Company') is a public limited company incorporated in India. The Holding company, Sumant Investments Private Limited owns 63.03% of equity share capital of the Company. The registered office of the Company is at 2nd Floor (West Wing), World Mark 1, Aerocity, New Delhi – 110037, India.

The consolidated financial statements have been approved by Board of Directors in their board meeting dated May 02, 2023.

DCM Shriram Limited together with its subsidiaries is hereinafter referred to as "Group".

For information in respect of subsidiaries and joint venture, refer note 57.

The business portfolio of the Group comprises of:

- a. Chloro-Vinyl
- b. Sugar
- c. Shriram Farm Solutions
- d. Bioseed
- e. Fertilisers
- f. Fenesta Building Systems
- g. Others: (PVC/CPVC Compounds, Cement and Hariyali Kisaan Bazaar)

The Group has presence in various parts of India and also in Philippines, and its principal place of businesses together with major products are as under:

Business (Products)	Principal places
Chloro- Vinyl (Poly-vinyl chloride, carbide and chlor alkali)	Kota (Rajasthan) and Bharuch (Gujarat)
Sugar (Sugar, molasses, ethanol and power)	Ajbapur, Rupapur, Hariawan and Loni at Uttar Pradesh
Shriram Farm Solutions (Trading of agri inputs)	Distribution Network across India
Bioseed (Hybrid seeds)	Hyderabad and Philippines
Fertilisers (Urea)	Kota (Rajasthan)
Fenesta Building System (Windows and doors)	Kota and Bhiwadi (Rajasthan), Chennai (Tamilnadu), Hyderabad (Telengana) Bhubaneswar (Odisha)
Cement (Cement)	Kota (Rajasthan)
Hariyali Kisaan Bazaar (Fuel)	Fuel outlets at various parts of India

1.2 Basis of preparation of consolidated financial statements

The consolidated financial statements are prepared on an accrual basis under historical cost convention except for certain financial instruments which are measured at fair value. These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ("The Act") and other relevant provisions of the Act, as applicable.

1.3 Principles of consolidation

The Consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the Company ('The Group'). The Company controls an entity when the

Company is exposed to, or has rights to, variable return from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

The financial statements of subsidiaries namely DCM Shriram Foundation and Shridhar Shriram Foundation, incorporated under Section 8 of the Companies Act, 2013 are not considered for consolidation since the objective of control in these companies is not to obtain economic benefits from its activities.

Consolidation of the subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary and gain/(loss) on sale of subsidiary is recognized in the profit and loss account.

- a) The consolidated financial statements have been prepared on the following basis:
 - The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income, expense, each component of other comprehensive income and cash flows, after fully eliminating intra-group balances, intra-group transactions and unrealized profit or losses on intra group transactions including tax adjustment thereon.
 - Interest in joint venture is accounted for using the equity method. Accordingly, the investment is initially recognized at cost and adjusted thereafter to recognize the Company's share of the post-acquisition profit or losses of the investee in profit and loss, and Company's share of other comprehensive income of the investee in other comprehensive income.
 - Investment in Associate is accounted for at Fair value through profit and loss as equity method is not applicable.
 - The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
 - Non-controlling interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the date of investments.
 - In respect of acquisitions prior to April 1, 2015, the excess of the cost of the Company of its investments in subsidiary company over the Company's portion of the equity of the subsidiary at the date on which investments were made is recognized in the consolidated financial statements as goodwill and is tested for impairment at the end of the reporting period. However, where the share of equity in the subsidiary company as on the date of investment is in excess of cost of investments, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.
- b) The Companies considered for Consolidated Financial Statements are given in note 57.

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

1.4 Significant accounting policies

a) Property, Plant and Equipment

Owned Assets

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost of acquisition or construction is inclusive of freight, duties, taxes, other directly attributable incidental expenses and gains or losses on effective portion of cash flow hedges related to purchase in foreign currency and interest on loans attributable to the acquisition or construction of assets up to the date of commissioning of assets.

On the date of transition to Ind AS i.e. April 1, 2015, the Group has opted to measure all of its property, plant and equipment at their previous Generally Accepted Accounting Principles net carrying value and use that net carrying value as its deemed cost.

The Group is following straight line method of depreciation in respect of buildings, plant and equipment and written down value method in respect of other assets.

Depreciation on all tangible assets is provided on the basis of estimated useful life and residual value determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc., which coincides with the useful life as prescribed under Schedule II of the Companies Act 2013 except for certain items of Plant and Equipment.

(i) Estimated useful lives:

Asset	Useful life
Buildings:	
- Roads	3-10 years
- Other than Roads	30-60 years
Leasehold improvements	5-10 Years
Plant and equipment used in generation, transmission and distribution of power	25-40 years
Plant and equipment (other than used in generation, transmission and distribution of power)	3-40 years
Furniture and fixtures	8-10 Years
Office equipments	5 Years
Vehicles	8-10 Years

(ii) Estimated residual value:

Asset	Residual value
Certain electrical equipment	10%
Other assets	0-5%

Depreciation is calculated on a pro-rata basis from the date of additions, except in cases of assets costing up to Rs. 5000 each, where each asset is fully depreciated in the year of purchase. On assets sold, discarded etc. during the year, depreciation is provided up to the date of sale/discard.

a) Intangible assets

Intangible assets (excluding goodwill on consolidation) are stated at cost less accumulated amortization and accumulated impairment loss, if any. Cost of acquisition is inclusive of duties, taxes, consultancy and other directly attributable incidental expenses.

On the date of transition to Ind AS i.e. April 1, 2015, the Group has opted to measure all of its intangible assets at their previous Generally Accepted Accounting Principles net carrying value and use that net carrying value as its deemed cost.

Amortization of intangibles is provided on straight line basis over its estimated useful lives as follows:

Technical know-how	10 years
Software	5 years

On assets sold, discarded etc. during the year, amortization is provided up to the date of sale/discard.

c) Investment property

Investment property are stated at cost less accumulated depreciation and impairment loss, if any.

Cost of acquisition or construction is inclusive of duties, taxes and incidental expenses and interest on loans attributable to the acquisition/construction of properties up to the date of Commissioning.

On the date of transition to Ind AS i.e. April 1, 2015, the Group has opted to measure all of its investment properties at their previous Generally Accepted Accounting Principles net carrying value and use that net carrying value as its deemed cost.

The Group is following straight line method of depreciation in respect of buildings. Depreciation on buildings is provided on the basis of useful life and residual value estimated by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset etc. The estimated useful life of building is 58-60 years and estimated residual value is 5%.

d) Assets held for sale

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount (cost less accumulated depreciation, if any) on the date of transfer to assets held for sale and fair value assessed on annual basis. Gain for any subsequent increase in fair value less cost to sale of an asset is recognised only upto the extent of cumulative impairment loss that has been recognized.

e) Leases

Group as a lessee

The Group at the commencement date recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets in accordance with IndAS 116 'Leases'. The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs etc.

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

For lease liabilities at the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease income as and when due as per terms of agreements. The respective leased assets are included in the financial statements based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

Assets taken on Finance lease

Assets taken on finance lease are stated at the lower of the fair value of the lease assets or the present value of the minimum lease payments at the inception of the lease.

In respect of Assets taken on finance lease, when there is reasonable certainty that the Group will obtain ownership by the end of the lease term, depreciation is provided in accordance with the policy followed by the Group for owned assets.

f) Inventories

Inventories, other than By-products, are valued at lower of cost (determined on weighted average basis) and net realisable value. The bases for determining cost for different categories of inventory are as under:

Stores & spares, raw materials and stock-in-trade	Cost of purchases (including other cost incurred in bringing inventory to its present location and condition)
Work-in-Progress and finished goods	Direct Cost (including material, labour etc), conversion cost and appropriate share of overheads. The costs allocation between the joint products is carried out based on technical estimates.

By-products are valued at estimated net realisable value.

g) Revenue recognition

- i) Sales are recognized, at transaction price as per agreements with the customers, net of returns and other variable consideration on account of trade discounts and volume discounts, if any, on satisfaction of performance obligation by transfer of effective control of the promised goods to the customers, which coincides with dispatch/ delivery to customers, as applicable. Sales include excise duty but excludes sales tax, value added tax and goods and service tax.
- ii) Under the retention pricing scheme, the Government of India reimburses to the fertilizer industry, the difference between the retention price based on the cost of production and selling price (as realized from the farmers) as fixed by the Government from time to time, in the form of subsidy. The effect of variation in input costs/expenses on retention price yet to be notified is accounted for by the Company as income for the year based on its ultimate collection with reasonable degree of certainty at the time of accrual.

h) Government grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

Government grants are recognized where there is reasonable assurance that the Group will comply with the conditions attached to it and that the grants will be received. Grants are presented as part of income in the statement of profit and loss; alternatively they are deducted in reporting the related expense.

The benefit of a government loan at a below market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on the prevailing market interest rates.

i) Employee benefits

(i) Defined contribution plans

Company's contribution paid/payable during the year to provident fund, superannuation fund and employees' state insurance corporation are recognized in the statement of profit and loss. For the Provident Fund Trust administered by the Company, it is liable to meet the shortfall, if any, in payment of interest at the rates declared by the Central Government, and such liability is recognized in the year of shortfall.

(ii) Defined benefit plans

The liability recognized in respect of gratuity is the present value of defined benefit obligation at the end of the reporting period less the fair value of plan assets, where applicable. The Company makes contribution to the LIC for Employees Gratuity Scheme in respect of employees of one of the division. The defined benefit obligation is calculated annually by actuary using the Projected Unit Credit Method. Re-measurement comprising actuarial gains and losses and return on plan assets (excluding net interest) are recognized in

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

the other comprehensive income for the period in which they occur and is not reclassified to profit or loss.

(iii) **Compensated absences**

Provision for earned leave and medical leave is determined on an actuarial basis at the end of the year and is charged to the statement of profit and loss each year. Actuarial gains and losses are recognized in the statement of profit and loss for the period in which they occur.

(iv) **Share based payments**

Equity settled share based payments to employees under DCM Shriram Employees Stock Purchase Scheme (ESPS) are measured at the Fair value (which equals to Market price less exercise price) of the equity instruments at grant date. Fair value determined at the grant date is expensed on a straight line basis over the vesting period.

j) **Foreign currency transactions**

The functional currency of the Company is Indian rupee. Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction.

Monetary items (i.e. receivables, payable, loans etc) denominated in foreign currency are reported using the closing exchange rate on each reporting date.

The exchange difference arising on the settlement of monetary items or on reporting these items at rates different from rates at which these were initially recorded/reported in previous consolidated financial statements are recognized as income/expense in the period in which they arise except for exchange difference on foreign currency borrowings relating to asset under construction for future use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings.

The results and financial position of Group's foreign operations that have a functional currency different from the presentation currency (INR) are translated into the presentation currency as under:

- Assets and liabilities are translated at the closing exchange rate at the end of each reporting period.
- Income and expenses are translated at average exchange rates, and.
- All resulting exchange differences are recognized in other comprehensive income.

Exchange differences on monetary items receivable from or payable to subsidiaries having foreign operations for which settlement is neither planned nor likely to occur are recognized in other comprehensive income and are reclassified from equity to profit or loss on repayment of monetary items.

k) **Financial instruments**

Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are

added to or deducted from the fair value of financial asset or financial liabilities, as appropriate, on initial recognition. However, trade receivables do not contain a significant financing component and are measured at transaction price.

Subsequent measurement:

A. Non-derivative financial instruments

- (i) **Financial assets carried at amortised cost:** A financial asset is subsequently measured at amortised cost if it is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- (ii) **Financial assets carried at fair value through other comprehensive income (FVTOCI):** The Company has made an irrevocable election for its investments which are classified as equity instruments (Other than Investment in Subsidiaries, associates and Joint Venture) to present the subsequent changes in fair value in other comprehensive income.
- (iii) **Investment in subsidiaries and Joint Venture:** Investment in subsidiaries and joint venture is carried at cost less impairment, if any.
- (iv) **Financial assets carried at fair value through profit or loss (FVTPL):** A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss.
- (v) **Financial liabilities:** Financial liabilities are subsequently measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

B. Derivative financial instruments:

The Group holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The Company also holds swaps to mitigate interest rate risks. The counterparty for these contracts is generally a bank.

- (i) **Cash flow hedge:** The effective portion of changes in the fair value of the hedging instruments is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Such amounts are reclassified in to the statement of profit or loss when the related hedge items affect profit or loss except in respect of inventories and property, plant and equipment where such changes are adjusted to their cost.

Any ineffective portion of changes in the fair value of the derivative or if the hedging instrument no longer meets the criteria for hedge accounting, is recognized immediately in the statement of profit and loss.

- (ii) **Fair Value Hedge:** Changes in fair value of derivatives including forward exchange contracts that qualify as fair value hedge are recognized in profit or loss.

- (iii) **Financial instruments at fair value through profit or loss:** This category has derivative financial instruments which are not

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

designated as hedges. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial instruments at fair value through profit or loss.

Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

l) Impairment

(i) Financial assets

The Group recognizes loss allowances using the expected credit loss for the financial assets which are not measured at fair value through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

(ii) Non-financial assets:

Tangible and intangible assets

Property, plant and equipment and intangible assets are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit or loss. The Group review/assess at each reporting date if there is any indication that an asset may be impaired..

m) Income taxes

The Income-tax expense is provided in accordance with the tax laws of countries where the Company and its subsidiaries operate. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Income tax and deferred tax are measured on the basis of the tax rates and tax laws enacted or substantively enacted at the end of the

reporting period and are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the income tax and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

n) Provisions

Provisions for claims including litigations are recognised when the Group has a present obligation as a result of past events, in the year when it is established by way of orders of court or government notifications etc. that it is probable that an outflow of resources will be required to settle the obligations and the amount can be reasonably estimated. The provision including any subsequent adjustments are accounted for in the same expenditure line item to which the claim pertains.

1.5 Use of estimates

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of asset and liabilities, disclosures relating to contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expense for the period presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future are:

i) Useful lives and residual value of property, plant and equipment, intangible assets and Investment Properties:

Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc and same is reviewed at each financial year end.

ii) **Leases:** The Group determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives.

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

The discount rate is generally based on the incremental borrowing rate. To determine the incremental borrowing rate, the Group uses recent third-party financing received by the Company, adjusted to lease term etc, specific to the lease being evaluated.

- iii) **Impairment of investments:** The Company reviews the carrying value of long term investments in equity/preference shares of subsidiaries, joint venture and other companies carried at cost/amortized cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- iv) **Income tax:** For computing the income-tax provision as at the year end, the Company continues to estimate profits pertaining to its captive power units eligible for deduction u/s 80-IA of the Income-tax Act (the Act), as in the previous years. Based on the recent judgements, during the year the Company has preferred enhanced claim of deduction available u/s 80-IA of the Act, wherever permissible under the Act including for the earlier financial years for the purpose of filing Income tax return.
- v) **Deferred tax assets:** The Group reviews the carrying amount of deferred tax assets including Minimum alternate tax credit at the end of each reporting period and reduces to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

vi) Revenue:

- a) **Provision of Sales Returns, Warranties and Discounts:** Provision for Sales Returns, Warranties and Discounts are estimated based on past experience, market conditions and announced schemes.
- b) **Claims from 'Fertiliser Industry Coordination Committee' (FICC), Government of India:** The Company takes revenue credits for urea subsidy claims, which are pending notification/final acceptance by 'Fertiliser Industry Coordination Committee' (FICC), Government of India, in pursuance of the Retention Price Scheme administered for nitrogenous fertilisers, when as per judgment of the Company, there is reasonable certainty based on Policy and past experience that claims will be notified in due course (also refer note 29).
- vii) **Provision for gratuity and compensated absences:** The provision for gratuity and compensated absences are based on actuarial valuation using the projected unit credit method. The Group uses actuarial assumptions to determine the obligation for employee benefit at each reporting period. These assumptions include the discount rate, salary escalation and employee turnover rate.

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

2.1 Property, plant and equipment

Rs. Crores

	Freehold Land	Buildings	Leasehold Improvements	Plant and Equipments	Furniture and Fixtures	Office Equipments	Vehicles	Right of use asset - Land	Right of use asset - Building	Right of use asset - Vehicles	Total
Gross Carrying amount											
Balance at April 1, 2021	72.63	464.75	7.08	3,254.75	12.37	26.32	66.72	15.05	100.33	2.14	4,022.14
Additions	8.46	27.76	-	186.96	4.20	6.32	27.07	7.90	18.37	0.66	287.70
Pursuant to acquisition of joint venture	-	5.29	-	15.55	0.23	0.11	0.23	-	-	-	21.41
Disposals	(0.46)	(0.96)	-	(38.59)	(0.97)	(1.73)	(14.16)	-	(16.17)	(0.46)	(73.50)
Transferred to assets held for sale	(1.73)	-	-	(0.97)	-	-	-	-	-	-	(2.70)
Transferred to investment property (refer note 2.2)	-	(1.48)	-	-	-	-	-	(1.78)	-	-	(3.26)
Exchange differences	-	(0.13)	-	(0.34)	-	(0.03)	(0.02)	-	-	-	(0.52)
Balance at March 31, 2022	78.90	495.23	7.08	3,417.36	15.83	30.99	79.84	21.17	102.53	2.34	4,251.27
Additions	17.06	54.51	-	745.46	3.14	6.95	43.26	75.10	22.10	1.18	968.76
Disposals	(0.05)	(0.66)	-	(34.32)	(0.97)	(1.41)	(24.19)	-	(5.94)	(0.05)	(67.59)
Exchange differences	-	0.19	-	0.30	0.01	0.04	0.05	-	0.18	0.13	0.90
Balance as at March 31, 2023	95.91	549.27	7.08	4,128.80	18.01	36.57	98.96	96.27	118.87	3.60	5,153.34
Accumulated Depreciation											
Balance at April 1, 2021		72.53	4.77	576.08	6.79	17.72	41.56	0.85	34.23	0.67	755.20
Depreciation charge for the year		18.61	0.55	176.26	1.88	5.06	10.59	0.26	19.47	0.39	233.07
Pursuant to acquisition of joint venture		1.19	-	7.22	0.20	0.08	-	-	-	-	8.69
Disposals		(0.26)	-	(31.90)	(0.76)	(1.73)	(11.17)	-	(13.73)	(0.45)	(60.00)
Transferred to assets held for sale		-	-	(0.30)	-	-	-	-	-	-	(0.30)
Transferred to investment property (refer note 2.2)		-	-	-	-	-	-	(0.33)	-	-	(0.33)
Exchange differences		(0.03)	-	(0.07)	-	(0.01)	(0.01)	-	-	-	(0.12)
Balance at March 31, 2022		92.04	5.32	727.29	8.11	21.12	40.97	0.78	39.97	0.61	936.21
Depreciation charge for the year		19.32	0.38	191.04	2.25	5.30	18.32	0.75	18.67	0.47	256.50
Disposals		(0.46)	-	(24.60)	(0.87)	(1.31)	(18.47)	-	(5.79)	(0.04)	(51.54)
Exchange differences		0.09	-	0.16	0.01	0.03	0.03	-	0.14	0.07	0.53
Balance at March 31, 2023		110.99	5.70	893.89	9.50	25.14	40.85	1.53	52.99	1.11	1,141.70
Net carrying amount											
As at March 31, 2023	95.91	438.28	1.38	3,234.91	8.51	11.43	58.11	94.74	65.88	2.49	4,011.64
As at March 31, 2022	78.90	403.19	1.76	2,690.07	7.72	9.87	38.87	20.39	62.56	1.73	3,315.06
Capital work in progress											
As at March 31, 2023											1,618.26
As at March 31, 2022											485.08

Notes:

1. Refer note 23 for information on borrowing costs capitalised during the year.
2. Refer note 28 (ii) for information on contractual commitments for acquisition of property, plant and equipment.
3. Refer note 34(ii) for information on property, plant and equipment where the Group is a lessor under operating lease.
4. Refer note 39 for information on property, plant and equipment pledged as security.
5. Freehold land includes Rs. 1.56 crores (March 31, 2022 - Rs 1.56 crores) pending registration in favour of the Company.

Notes to the Consolidated Financial Statements For The Year Ended March 31 , 2023

2.2 Investment property

			Rs. Crores
	Land (Including Right of Use) assets	Buildings	Total
Gross Carrying Amount			
Balance as at April 1, 2021	0.51	0.23	0.74
Transferred from Property, plant and equipment	1.78	1.48	3.26
Disposals	(1.78)	(1.48)	(3.26)
Balance as at March 31, 2022	0.51	0.23	0.74
Additions	-	-	-
Disposals	-	-	-
Balance as at March 31, 2023	0.51	0.23	0.74
Accumulated Depreciation			
Balance as at April 1, 2021	-	0.03	0.03
Depreciation charge for the year	-	0.03	0.03
Transferred from Property, plant and equipment	0.33	-	0.33
Disposals	(0.33)	(0.02)	(0.35)
Balance at March 31, 2022	-	0.04	0.04
Depreciation charge for the year	-	-	-
Disposals	-	-	-
Balance at March 31, 2023	-	0.04	0.04
Net carrying amount			
As at March 31, 2023	0.51	0.19	0.70
As at March 31, 2022	0.51	0.19	0.70

Refer note 33 for other information relating to investment property.

2.3 Intangible assets

				Rs. Crores
	Technical Know how	Software	Total	Goodwill
Gross Carrying Amount				
Balance at April 1, 2021	3.93	54.89	58.82	78.69
Additions	-	3.29	3.29	-
Disposals	-	(0.02)	(0.02)	-
Exchange differences	-	(0.03)	(0.03)	2.46
Balance at March 31, 2022	3.93	58.13	62.06	81.15
Additions	-	3.74	3.74	-
Disposals	-	(0.61)	(0.61)	-
Exchange differences	-	0.02	0.02	-
Balance as at March 31, 2023	3.93	61.28	65.21	81.15
Accumulated Amortization				
Balance at April 1, 2021	0.98	44.67	45.65	-
Amortization for the year	0.34	4.51	4.85	-
Disposals	-	(0.02)	(0.02)	-
Balance at March 31, 2022	1.32	49.16	50.48	-
Amortization for the year	0.34	3.32	3.66	-
Disposals	-	(0.60)	(0.60)	-
Exchange differences	-	0.02	0.02	-
Balance as at March 31, 2023	1.66	51.90	53.56	-
Net carrying amount				
As at March 31, 2023	2.27	9.38	11.65	81.15
As at March 31, 2022	2.61	8.97	11.58	81.15
Intangible assets under development*				
As at March 31, 2023			11.84	
As at March 31, 2022			9.24	

* refer note 55(b)

1. Refer note 39 for information on intangibles assets pledged as security

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

	As at March 31, 2023 Rs. Crores	As at March 31, 2022 Rs. Crores
3 NON-CURRENT FINANCIAL ASSETS		
3.1 Non-current investments		
(a) Other than Joint Venture		
(i) Investment in Equity Instruments		
(a) Subsidiaries (at cost)		
Unquoted		
10,000 (March 31, 2022: 10,000) Equity shares of DCM Shriram Foundation of Rs. 10/- each fully paid up	0.01	0.01
50,000 (March 31, 2022: 50,000) Equity shares of Shridhar Shriram Foundation of Rs. 10/- each fully paid up	0.05	0.05
	<u>0.06</u>	<u>0.06</u>
(b) Other than subsidiaries (at fair value through other comprehensive income)		
Quoted		
1,40,000 (March 31, 2022: 1,40,000) Equity shares of IFCI Limited of Rs.10/- each fully paid up	0.14	0.16
37,795 (March 31, 2022: 37,795) Equity shares of Bank of Baroda of Rs. 2/-each fully paid up	0.64	0.42
7,908 (March 31, 2022: 7,908) Equity shares of Gujarat State Petronet Limited of Rs. 10/- each fully paid up	0.21	0.20
17,150 (March 31, 2022: 17,150) Equity shares of Punjab National Bank of Rs. 2/- each fully paid up	0.08	0.06
89,350 (March 31, 2022: 89,350) Equity shares of Yes Bank Ltd of Rs 10/- each fully paid up	0.13	0.11
	<u>1.20</u>	<u>0.95</u>
Unquoted		
18,61,134 (March 31, 2022: 18,61,134) Equity shares of Narmada Clean Tech of Rs. 10/- each fully paid up	1.85	1.85
25,00,000 (March 31, 2022: Nil) Equity shares of Biomass India Private Limited of Rs. 1/- each fully paid up	0.25	-
2,00,000 (March 31, 2022: 2,00,000) Equity shares of Ellenbarie Commercial Limited of Rs.10/- each fully paid up	1.50	1.50
Less : Provision for impairment in value of investment	<u>(1.50)</u>	<u>(1.50)</u>
40,000 (March 31, 2022: 40,000) Equity shares of BMD Estate Private Limited of Rs.10/- each fully paid up	0.75	0.75
Less : Provision for impairment in value of investment	<u>(0.75)</u>	<u>(0.75)</u>
	<u>2.10</u>	<u>1.85</u>
(c) Other than subsidiaries (at fair value through profit and loss)		
Quoted		
5,400 (March 31, 2022: 5,400) Master Gains 92 of Unit Trust of India of Rs. 10/-each fully paid up	0.08	0.09

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2023

	As at March 31, 2023 Rs. Crores	As at March 31, 2022 Rs. Crores
(d) Associate (at fair value through profit and loss)*		
Unquoted		
ReNew Green (GJ Ten) Private Limited		
78,90,909 (March 31, 2022: Nil) equity shares of Rs 10 each, fully paid up	8.68	-
(ii) Investment in Government securities		
Unquoted (at amortized cost)		
National savings certificates	0.06	0.06
Total	12.18	3.01
Aggregate book value - Quoted	1.28	1.04
- Unquoted	13.15	4.22
Aggregate provision for diminution in value of investments	2.25	2.25
Summary:		
- Investments carried at cost	0.06	0.06
- Investments carried at amortized cost	0.06	0.06
- Investments at fair value through other comprehensive income	3.30	2.80
- Investments at fair value through profit or loss	8.76	0.09
* Also refer note 1.3 (a)		
3.2 Loans		
(unsecured considered good, unless otherwise stated)		
Loan to employees		
Considered good ⁽ⁱ⁾	14.37	16.27
Considered credit impaired	-	0.74
	14.37	17.01
Less: Provision for credit impaired loan	-	0.74
	14.37	16.27
Loan to others		
Considered good	6.50	9.03
Considered credit impaired	0.70	-
	7.20	9.03
Less: Provision for credit impaired loan	(0.70)	-
	6.50	9.03
	20.87	25.30
(i) includes given to related parties [refer note 31(b)]		
3.3 Other financial assets		
Interest accrued on investments, deposits etc.		
Considered good	0.67	1.46
Considered credit impaired	0.88	-
	1.55	1.46
Less: Provision for credit impaired interest	(0.88)	-
	0.67	1.46
Fixed deposits with banks (earmarked)	9.13	1.78
Security deposits ⁽ⁱ⁾	33.33	30.91
	43.13	34.15
(i) includes given to related parties [(refer note 31(b)]		

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2023

	As at March 31, 2023 Rs. Crores	As at March 31, 2022 Rs. Crores
4 Deferred tax assets / (liabilities) (Net) [refer note 40(d)]		
Deferred tax assets:		
Minimum alternate tax (MAT) credit entitlement	-	183.89
Provision for gratuity and compensated absences	104.49	99.44
Provision for doubtful debts and advances	23.61	48.97
Others	17.94	8.88
	<u>146.04</u>	<u>341.18</u>
Deferred tax liabilities:		
Depreciation	618.73	561.97
	<u>618.73</u>	<u>561.97</u>
Net deferred tax assets - after set off	1.86	1.61
Net deferred tax (liabilities) - after set off	(474.55)	(222.40)
Deferred tax assets and deferred tax liabilities have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and liabilities relate to income tax levied by the same taxation authority		
5 Other non-current assets		
Capital advances	186.93	219.58
Prepaid expenses	0.74	1.04
Others (including amount deposited with Government authorities)	11.94	5.96
	<u>199.61</u>	<u>226.58</u>
CURRENT ASSETS		
6 Inventories⁽ⁱ⁾		
Raw materials (includes goods in transit - Rs 9.77 crores; March 31, 2022 - Rs 6.46 crores)	309.09	280.50
Work-in-progress	192.35	210.46
Finished goods (includes goods in transit Rs. 3.21 crores; March 31, 2022 - Rs. 10.54 crores)	1,460.44	1,454.48
Stock-in-trade	112.51	97.77
Stores and spares	302.08	262.73
	<u>2,376.47</u>	<u>2,305.94</u>
(i) refer note 1.4 (f) and note 39		
7 Financial Assets		
7.1 Trade receivables		
Unsecured - considered good	848.21	890.67
Unsecured - considered credit impaired	63.43	76.49
	<u>911.64</u>	<u>967.16</u>
Less: Provision for credit impaired receivables	63.43	76.49
Unbilled revenue	20.70	16.08
	<u>868.91</u>	<u>906.75</u>
Also refer note 56 (b)		
7.2 Cash and cash equivalents⁽ⁱ⁾		
Balances with banks in - current accounts	79.41	202.25
Cash on hand	0.39	0.39
Liquid investments - mutual funds	370.35	729.06
	<u>450.15</u>	<u>931.70</u>
(i) comprises cash at bank and at hand, short term deposits and liquid mutual funds that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value		
7.3 Bank balances other than cash and cash equivalents		

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2023

	As at March 31, 2023 Rs. Crores	As at March 31, 2022 Rs. Crores
7.3 Bank balances other than cash and cash equivalents		
Balances with banks in		
- current accounts (earmarked) ⁽ⁱ⁾	10.19	9.06
- deposit accounts (earmarked) ⁽ⁱ⁾	56.80	93.21
- deposit accounts (more than 3 months but less than 12 months)	456.85	572.90
	<u>523.84</u>	<u>675.17</u>
(i) earmarked for unpaid dividend, margin money and deposit with banks for specific purpose		
7.4 Loans		
(Unsecured Considered good unless otherwise stated)		
Loan to employees	4.49	3.27
Loan to others		
Unsecured - considered good	3.65	1.16
Unsecured - considered credit impaired	0.41	-
	<u>4.06</u>	<u>1.16</u>
Less : Provisions for credit impaired loans	(0.41)	-
	<u>3.65</u>	<u>1.16</u>
	<u>8.14</u>	<u>4.43</u>
7.5 Other financial assets		
Interest accrued on loans, investment, deposits etc.		
Considered good	18.91	20.99
Considered credit impaired	0.39	-
	<u>19.30</u>	<u>20.99</u>
Less: Provision for credit impaired interest	(0.39)	-
	<u>18.91</u>	<u>20.99</u>
Other debts (includes claims from government authorities)		
Considered good	8.22	7.82
Considered doubtful	-	27.10
	<u>8.22</u>	<u>34.92</u>
Less: Provision for doubtful debts	-	27.10
	<u>8.22</u>	<u>7.82</u>
Security deposits		
Considered good	1.79	1.53
Considered doubtful	1.89	3.48
Less: Provision for doubtful deposits	0.10	1.95
	<u>1.79</u>	<u>1.53</u>
Derivative designated as hedge:		
- Forward exchange forward contracts	2.48	-
- Interest rate swaps	3.27	2.18
- Others (Foreign currency options)	-	0.11
	<u>34.67</u>	<u>32.63</u>
8 Current tax assets / (liabilities) (net)		
Advance tax	1,806.99	1,303.81
Less: Provision for current tax	(1,696.17)	(1,264.17)
	<u>110.82</u>	<u>39.64</u>
Net current tax assets - after set off	112.41	41.37
Net current tax (liabilities) - after set off	(1.59)	(1.73)
Current tax assets and current tax liabilities have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liabilities		

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

	As at March 31, 2023 Rs. Crores	As at March 31, 2022 Rs. Crores
9 Other current assets		
(Unsecured Considered good unless otherwise stated)		
Advances recoverable in kind or for value to be received		
Considered good	180.92	182.48
Considered doubtful	5.39	14.25
	186.31	196.73
Less: Provision for doubtful advances	5.39	14.25
	180.92	182.48
Prepaid expenses	30.62	17.97
Balances with customs, excise etc.	92.71	28.01
Others	6.80	8.19
	311.05	236.65

10. Assets classified as held for sale

Land and buildings	22.92	35.27
Plant and machinery	0.40	7.52
	23.32	42.79

Refer note 46 for other information relating to assets classified as held for sale.

11. Equity share capital

Authorised		
29,49,50,000 (March 31, 2022 - 29,49,50,000)	58.99	58.99
Equity shares of Rs.2 each with voting rights		
65,01,000 (March 31, 2022 - 65,01,000)	65.01	65.01
Cumulative redeemable preference shares of Rs. 100 each	124.00	124.00
Issued		
15,98,42,296 (March 31, 2022 - 15,98,42,296)		
Equity shares of Rs 2 each with voting rights	31.97	31.97
Subscribed and fully paid up		
15,59,42,296 (March 31, 2022 - 15,59,42,296)		
Equity shares of Rs. 2 each with voting rights, fully paid- up	31.19	31.19
Forfeited shares - Amount originally paid up	0.16	0.16
	31.35	31.35

Notes:

(i) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period:

Subscribed and fully paid up Equity Shares:	<u>No. of shares</u>	<u>Value (Rs. Crores)</u>
As at April 1, 2021	15,59,42,296	31.19
As at March 31, 2022	15,59,42,296	31.19
As at March 31, 2023	15,59,42,296	31.19

Buy-back of shares

- The Company bought back and extinguished 64,73,841 equity shares of Rs 2 each during financial year 2018-19

(ii) Rights, preferences and restrictions on equity shares:

Voting rights and dividend shall be in the proportion to the capital paid upon equity shares. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to the capital paid upon equity share after distribution of all preferential amount.

	As at March 31, 2023		As at March 31, 2022	
	No. of shares %		No. of shares %	
(iii) Shares held by the holding company:				
Sumant Investments Private Limited	9,82,82,744	63.03%	9,82,82,744	63.03%

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

	As at March 31, 2023 Rs. Crores		As at March 31, 2022 Rs. Crores	
(iv) The shareholders holding more than 5% equity shares are as under:				
Sumant Investments Private Limited	9,82,82,744	63.03%	9,82,82,744	63.03%
Life Insurance Corporation of India	1,05,14,136	6.74%	1,05,14,136	6.74%
(v) Share held by promoters :				
Refer note 52				
12. Other equity¹				
12.1 General Reserve		625.03		620.02
12.2 Surplus in consolidated statement of profit and loss		5,474.41		4,800.03
12.3 Securities premium		2.31		2.31
12.4 Capital reserve		41.20		41.20
12.5 Capital redemption reserve		10.40		10.40
12.6 Storage fund for molasses account		2.75		2.56
12.7 Statutory reserve		1.06		1.06
12.8 Share held by trust under Employees Stock Purchase Scheme (ESPS) ²		(5.36)		(5.45)
12.9 Other comprehensive income				
- Cash flow hedging reserve (refer note 44.4 (b))		2.55		(9.73)
- Exchange difference on translating the financial statements of foreign operations		8.92		9.17
- Investments in equity instruments through OCI		(0.87)		(1.12)
		<u>6,162.40</u>		<u>5,470.45</u>
1. Created under relevant Act/statutes and will be utilized as per Companies Act/ other relevant act. For movement during the year, refer 'Statement of consolidated changes in equity'.				
2. Shares held by trust under ESPS represents cost of 11,61,474 (March 31, 2022 - 11,79,674) equity shares purchased and held by the Employee Benefit trust under ESPS scheme.				
NON-CURRENT LIABILITIES				
13 Financial liabilities				
13.1 Long term borrowings (at amortized cost)				
Secured (refer note 39B)				
Non Convertible Debentures		151.52		174.42
Term loans				
From banks		746.34		508.73
From others		241.39		234.54
		<u>1,139.25</u>		<u>917.69</u>
Unsecured				
Deposits				
Fixed ⁽¹⁾		14.49		33.65
		<u>14.49</u>		<u>33.65</u>
		<u>1,153.74</u>		<u>951.34</u>
1. Repayable as per maturity term not beyond 3 years				
13.2 Other financial liabilities				
Interest accrued but not due on loans and deposits		0.03		0.05
		<u>0.03</u>		<u>0.05</u>

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2023

	As at March 31, 2023 Rs. Crores	As at March 31, 2022 Rs. Crores
14 Long term provisions		
Provision for employee benefits		
Gratuity	142.29	136.38
Compensated absences	99.58	96.13
Other benefits	12.33	11.44
Provision for contingencies (refer note 35)	12.11	12.11
	<u>266.31</u>	<u>256.06</u>
15. Other non-current liabilities		
Security deposits	0.01	0.01
Others (includes deferred government grant)	6.32	4.52
	<u>6.33</u>	<u>4.53</u>
CURRENT LIABILITIES		
16 Financial Liabilities		
16.1 Short-term borrowings - at amortized cost		
Secured (refer note 39B)		
Current maturities of long-term debt		
Non Convertible Debentures	23.53	23.53
Term loans :-		
From banks	64.48	43.20
From others	44.58	43.60
Loans repayable on demand from banks	-	5.67
Other loans and advances from banks	323.00	403.00
	<u>455.59</u>	<u>519.00</u>
Unsecured		
Current maturities of long-term debt		
Fixed deposits	23.65	3.50
Loans repayable on demand		
Other loans from banks	-	35.00
	<u>23.65</u>	<u>38.50</u>
	<u>479.24</u>	<u>557.50</u>
16.2 Trade payables ⁽ⁱ⁾		
Total outstanding dues of micro enterprises and small enterprises (refer note 47)	42.10	37.14
Total outstanding dues of creditors other than micro enterprises and small enterprises	968.64	923.17
	<u>1,010.74</u>	<u>960.31</u>
(i) refer note 55 (a)		
16.3 Other financial liabilities		
Interest accrued but not due on borrowings	4.38	4.65
Unpaid dividends	9.83	9.06
Unpaid matured deposits and interest accrued thereon	-	0.05
Employee dues payable ⁽ⁱ⁾	76.69	58.11
Security deposits	53.52	49.06
Others liabilities	269.99	98.21
(includes capital creditors Rs 235.22 crores; March 31, 2022 - Rs 54.19 crores)		
Derivative designated as hedge:		
- Foreign exchange forward contracts	0.42	8.32
	<u>414.83</u>	<u>227.46</u>
(i) includes dues to related parties [(refer note 31 (b))]		

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

	As at March 31, 2023 Rs. Crores	As at March 31, 2022 Rs. Crores
17 Other Current Liabilities		
Statutory levies (including statutory dues payable)	141.55	118.24
Advances received from customers	341.91	350.28
Other current liabilities	<u>85.26</u>	<u>75.49</u>
	568.72	544.01
18 Short Term Provisions		
Provision for employee benefits		
Gratuity	28.56	26.28
Compensated absences	31.92	28.26
Other benefits	<u>1.02</u>	<u>1.57</u>
	61.50	56.11
19. Revenue from operations		
Revenue from sale of products		
Gross revenue ⁽ⁱ⁾	12,262.11	10,046.90
Less: Discounts	<u>250.25</u>	<u>251.87</u>
	12,011.86	9,795.03
Other operating revenue		
Rent	0.17	0.25
Liabilities / provisions no longer required written back	5.24	5.72
Interest income	0.48	0.71
Miscellaneous income (includes scrap sales) (refer note 48)	<u>61.76</u>	<u>47.70</u>
	67.65	54.38
Revenue from Operations	12,079.51	9,849.41
(i) Notes:		
(a) Includes Rs 296.92 crores against advance received from customers balance as at April 1, 2022 (2021-22 - Rs 199.77 crores)		
(b) Includes Rs 36.02 crores on account of differential urea subsidy accrued for earlier periods based on notification issued by 'Fertiliser Industry Coordination Committee (FICC), Government of India, in pursuance of the Retention Price Scheme administered for nitrogenous fertilisers (2021-22 - Rs 33.15 crores)		
(c) The Company does not have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. Accordingly, the Company has not adjusted transaction prices for the time value of money.		
(d) Total revenue from operations (excluding excise duty) is as under :		
	Year ended March 31, 2023 Rs. Crores	Year ended March 31, 2022 Rs. Crores
- Total revenue from operations (excluding excise duty)	11,546.98	9,627.43
20 Other income		
Interest income	52.45	36.72
Dividend income on investments measured at fair value through other comprehensive income	0.02	-
Rent [refer note 34 (ii)]	0.63	0.74
Miscellaneous income (refer note 48)	25.41	15.75
Other gains/(losses):		
- net gain/(loss) of financial assets mandatorily measured at fair value through profit or loss	1.92	10.61
- net gain on sale of liquid investments	27.26	19.65
- net gain/(loss) on sale of property, plant and equipment (including assets held for sale)	<u>11.99</u>	<u>8.43</u>
	119.68	91.90

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

	Year Ended March 31, 2023 Rs. Crores	Year Ended March 31, 2022 Rs. Crores
21 Change in inventories of finished goods, stock-in-trade and work-in-progress		
Closing stock	1,765.30	1,762.71
Add: Provision for sales return	5.63	7.79
Add/(Less): Translation difference transferred to foreign currency translation reserve	(4.63)	(4.20)
Adjusted Closing stock	<u>1,766.30</u>	<u>1,766.30</u>
Opening stock	1,766.30	1,385.08
Add: Stock transferred pursuant to acquisition of Joint venture	-	4.33
Adjusted opening stock	<u>1,766.30</u>	<u>1,389.41</u>
Decrease/(increase) in inventories	<u>-</u>	<u>(376.89)</u>
22 Employee benefits expense		
Salaries, wages, bonus, gratuity, commission, etc. ⁽ⁱ⁾	799.85	706.21
Expense on Employee stock purchase scheme ⁽ⁱⁱ⁾	6.03	5.51
Contribution to provident and other funds ⁽ⁱ⁾	49.11	44.20
Staff welfare expenses	35.65	27.37
	<u>890.64</u>	<u>783.29</u>
(i) refer note 32		
(ii) refer note 38		
23 Finance costs		
Interest expense on financial liabilities measured at amortized cost	99.11	79.17
Other borrowing costs	3.15	4.58
Net loss on foreign currency transactions and translation	3.55	18.05
	<u>105.81</u>	<u>101.80</u>
Less: Amount included in the cost of qualifying assets ¹	<u>53.00</u>	<u>16.43</u>
	<u>52.81</u>	<u>85.37</u>
1 Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Borrowing cost attributable to the acquisition or construction of qualifying assets is capitalised upto the date of commissioning of the asset. The weighted average rate used to determine the amount of borrowing costs eligible for capitalization is 6.61% p.a. (2021-22: 6.58% p.a.).		
24 Depreciation and amortization expense		
Depreciation of property, plant and equipment	2.1	236.61
Depreciation of right of use assets (refer note 34)	2.1	19.89
Depreciation of investment property	2.2	-
Amortization of intangible assets	2.3	3.66
	<u>260.16</u>	<u>237.95</u>
25 Other expenses		
Consumption of stores and spare parts	404.28	337.72
Rent (refer note 34)	14.53	16.17
Repairs		
Buildings	19.06	24.36
Plant and machinery	89.37	76.38
Donation ¹	7.24	3.36
Insurance	28.10	26.02
Rates and taxes	18.12	5.07
Auditors' remuneration		
Audit fee	1.65	1.58
Tax audit*	0.01	0.17
Limited reviews*	0.67	0.68
Other certification services*	0.56	0.45
Out-of-pocket expenses*	0.11	-
Directors' fees	0.83	0.75
Bad debts and advances, other debts and deposits written off	50.71	0.55
Less: adjusted against provision for doubtful debts, advances, other debts and deposits	<u>(50.37)</u>	<u>-</u>
Provision (Reversal) for credit impaired receivables	<u>0.60</u>	<u>7.78</u>

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

	Year Ended March 31, 2023 Rs. Crores	Year Ended March 31, 2022 Rs. Crores
Provision for credit impaired loans and advances, other debts and deposits	2.56	0.25
Freight and transport	308.06	260.57
Commission to selling agents	22.10	18.25
Brokerage, discounts (other than trade discounts), etc.	0.17	0.15
Selling expenses	110.79	101.95
Exchange fluctuation costs/(gains)	(5.33)	(5.45)
Royalty	10.90	7.59
Provision for impairment/(reversal) on assets held for sale	(0.21)	(4.06)
Corporate Social Responsibility ²	24.91	17.55
Miscellaneous expenses	226.95	178.93
	<u>1,286.37</u>	<u>1,076.77</u>
Less:- Cost of own manufactured goods capitalised/consumed	<u>(4.55)</u>	<u>(1.58)</u>
	<u>1,281.82</u>	<u>1,075.19</u>
* Includes Rs.0.68 crs pertaining to predecessor auditor 1 refer note 50 2 refer note 36		
26 Tax expense (refer note 40)		
Current tax	236.41	277.18
Deferred Tax	258.75	224.70
	<u>18.56</u>	<u>18.56</u>
Tax adjustments related to income from subsidiary (refer note 53 (b))	18.56	
Tax adjustments related to earlier years		
- Current tax	2.17	(1.22)
- Deferred tax	<u>(13.60)</u>	<u>(1.81)</u>
	<u>502.29</u>	<u>498.85</u>
27 Earnings per share		
Profits for the year attributable to equity holders of the Company (Rs. Crores)	910.84	1,067.35
Weighted average number of equity shares (Nos.)	15,59,42,296	15,59,42,296
Basic and Diluted earnings per share (face value Rs 2 per share)	58.41	68.45

Rs. Crores

	As at March 31, 2023	As at March 31, 2022
28. (i) Contingent liabilities not provided for*:		
(a) Claims (excluding claims by employees where amount not ascertainable) not acknowledged as debts:		
- Sales tax matters	0.49	0.04
- Additional premium on land	8.11	8.11
- Interest on delayed payments (cane/others)	55.06	64.01
- Others	5.70	6.19
Total	69.36	78.35

* timing of outflow, if any, cannot be ascertained as of now

(ii) Capital commitments (net of advances)	557.66	927.35
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29 In accordance with its accounting policy and past practice, the Company accrues revenue credits for urea subsidy claims pending notification/ final acceptance by 'Fertiliser Industry Coordination Committee' (FICC), Government of India, in pursuance of the Pricing Scheme administered for nitrogenous fertilisers. The total amount receivable on account of such claims as on March 31, 2023 is Rs 157.62 crores (Rs 312.86 crores on March 31, 2022).

Necessary adjustments to revenue credits so accrued will be made on issuance of notification by FICC, Government of India.

Notes to the Consolidated Financial Statements For The Year Ended March 31 , 2023

30 Segment reporting

A. Operating segments and principal activities:

Operating segments are defined as components of an enterprise for which discrete financial information is available and whose results are reviewed regularly by the chief operating decision maker (CODM), for allocation of resources and assessing performance. Accordingly, the following segments have been identified as under: Fertilisers (manufacturing of urea), Chloro-Vinyl (manufacturing of poly-vinyl chloride, carbide and chlor alkali products), Shriram Farm solutions (Plant nutrients, seeds and pesticides), Sugar (manufacturing of sugar, ethanol, co-generation of Power and distillery), Bioseed (production of hybrid seeds), Fenesta building systems (Windows and doors), Others (Cement, Rural retail and plaster of paris). Sale of power from the co-generation facilities set up for the operating segments is included in their respective results.

B. Geographical segments:

Since the Group's activities/ operations are primarily within the country and considering the nature of products/ services it deals in, the risks and returns are same and as such there is only one geographical segment.

C. Segment accounting policies:

In addition to the significant accounting policies applicable to the operating segments as set out in note 1.4, the accounting policies in relation to segment accounting are as under:

(i) Segment revenue and expenses:

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

(ii) Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables (net of allowances and provision), inventories and property, plant and equipments, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of trade payables. Segment assets and liabilities do not include deferred income taxes. While most of the assets/ liabilities can be directly attributed to individual segment, the carrying amount of certain assets/ liabilities pertaining to two or more segments are allocated to the segments on a reasonable basis.

(iii) Inter segment sales:

Inter segment sales between operating segments are accounted for at market price. These transactions are eliminated in consolidation.

D. Revenue from major products:

Revenue from major products is given in note 59

E. Geographical information:

(i) Revenue from external customers: The Group's revenue from external customers by location of operation are as under:

Particulars	Rs. Crores	
	This year	Previous year
- Within India	11,442.30	9,416.30
- Outside India	569.56	378.73
Total	12,011.86	9,795.03

(ii) Non-current assets other than financial instruments and deferred tax assets:

Particulars	Rs. Crores	
	March 31, 2023	March 31, 2022
- Within India	5,838.50	3,819.13
- Outside India	96.36	83.68
Total	5,934.86	3,902.81

F. Information about revenue from a single party exceeding 10% of the total revenue

Revenue from fertilizer subsidy income from 'Fertiliser Industry Coordination Committee' (FICC), Government of India amounted to Rs.1,775.88 crores (31 March 2022 : Rs. 1,121.70 crores) arising from sales in the fertilizers segment, and has outstanding receivable of Rs. 310.22 crores as at 31 March 2023 (31 March 2022 : Rs. 434.88 crores).

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

PARTICULARS	Chloro-Vinyl		Sugar		Shriram Farm Solutions		Bloseed		Fertiliser		Fenesta Building System*		Others		Elimination		Total	
	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year
	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores	Rs. Crores
1. REVENUE																		
External sales (Gross)	3,819.31	3,504.67	3,499.24	2,674.87	1,032.26	947.11	471.19	385.39	1,984.01	1,324.86	687.67	522.55	518.18	435.58	12,011.86	9,795.03		
Other Operating Income	18.42	17.77	27.22	20.75	0.81	1.75	7.20	4.07	3.43	2.14	7.83	5.88	2.74	2.02	67.65	54.38		
Inter segment sales	115.97	94.02	-	-	0.45	-	4.71	16.52	-	-	0.01	0.14	3.85	1.52	124.99	112.20		
Total revenue	3,953.70	3,616.46	3,526.46	2,695.62	1,033.52	948.86	483.10	405.98	1,987.44	1,327.00	695.51	528.57	524.77	439.12	12,079.51	9,849.41		
2. RESULTS																		
Segment results	983.35	1,266.63	237.03	322.71	183.59	134.64	(8.98)	(76.26)	129.35	76.47	121.34	68.71	(38.57)	(14.16)	1,607.11	1,778.74		
Unallocated expenses (net of income)															141.17	128.39		
Operating profit	983.35	1,266.63	237.03	322.71	183.59	134.64	(8.98)	(76.26)	129.35	76.47	121.34	68.71	(38.57)	(14.16)	1,465.94	1,650.35		
Finance costs															52.81	85.37		
Profit before tax															1,413.13	1,564.98		
Provision for taxation																		
- Current and deferred tax																		
- Tax adjustments related to earlier years																		
Net profit after tax															910.84	1,066.13		
3. OTHER INFORMATION																		
A. ASSETS																		
Segment assets	3,796.70	2,401.24	3,909.36	3,465.59	233.38	184.38	600.91	579.32	532.48	711.02	301.69	233.88	190.04	200.72	9,564.56	7,776.15		
Unallocated assets															1,157.29	1,594.74		
Total assets	3,796.70	2,401.24	3,909.36	3,465.59	233.38	184.38	600.91	579.32	532.48	711.02	301.69	233.88	190.04	200.72	10,721.85	9,370.89		
B. EQUITY AND LIABILITIES																		
Equity (Share Capital & Other Equity)															6,193.75	5,501.80		
Segment liabilities	674.74	489.11	555.67	511.38	182.81	169.28	195.88	187.62	223.66	232.75	309.27	277.17	92.32	91.03	2,234.35	1,958.34		
Secured and unsecured loans															1,632.98	1,508.84		
Unallocated liabilities															660.77	401.91		
Total liabilities	674.74	489.11	555.67	511.38	182.81	169.28	195.88	187.62	223.66	232.75	309.27	277.17	92.32	91.03	10,721.85	9,370.89		
C. OTHERS																		
Capital expenditure	1,293.79	473.81	597.06	96.40	4.35	1.40	17.45	8.07	16.63	22.91	56.30	32.36	10.01	4.75	1,995.59	639.70		
Unallocated capital expenditure															15.47	10.32		
Depreciation and amortisation expense	107.77	101.25	84.57	77.41	2.06	1.13	7.25	6.59	11.85	10.62	21.89	15.67	5.49	19.34	240.88	232.01		
Unallocated depreciation and amortisation expense															19.28	21.61		
Non cash expenses other than depreciation	0.02	(2.59)	-	-	1.24	2.93	(1.17)	4.68	-	0.01	0.22	0.41	2.90	(0.13)	3.21	5.34		
Unallocated non cash expenses other than depreciation															0.08	(0.84)		

* Upto previous year ended March 31, 2022, Fenesta building system was disclosed as part of 'Others' segment.

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

31 Related party disclosures

Name of related party as per Ind AS 24 and nature of related party relationship

1. Holding company: Sumant Investments Private Limited
2. Joint venture: Shriram Axial Private Limited (upto 18th October 2021) - refer note 41
3. Associate : Renew Green (GJ Ten) Private limited (w.e.f. February 23, 2023)
4. Key Managerial Persons, their relatives and HUFs:
 - (i) Executive Directors and their relatives and HUFs (with whom transactions are there):
Mr. Ajay S. Shriram, Mr. Vikram S. Shriram, Mr. Ajit S. Shriram, Mr. K.K. Kaul, Mr. K.K. Sharma, Mr. Aditya A. Shriram (relative of Mr. Ajay S. Shriram), Mr. Anand A. Shriram (relative of Mr. Ajay S. Shriram), Mr. Pranav V. Shriram (relative of Mr. Vikram S. Shriram), Mr. Varun A. Shriram (relative of Mr. Ajit S. Shriram), Mrs. Anuradha Bishnoi (relative of Mr. Ajay S. Shriram), Mrs. Geeta Kaul (relative of Mr. K.K. Kaul), M/s. Ajay S. Shriram (HUF), M/s. Vikram S. Shriram (HUF), M/s. Ajit S. Shriram (HUF).
 - (ii) Independent Directors and their relatives (with whom transactions are there):
Mr. Pradeep Dinodia, Mr. Vimal Bhandari, Mr. Sunil Kant Munjal, Mrs. Ramni Nirula, Justice (Retd.) Mr. Vikramjit Sen, Mr. Pravesh Sharma, Ms. Sarita Garg (Nominee of LIC)
5. Trust : Sir Shriram Foundation, DCM Shriram Employees' Provident Fund Trust, DCM Shriram Officers' Superannuation Fund Trust
6. Subsidiaries incorporated under section 8 of Companies Act 2013: DCM Shriram Foundation, Shridhar Shriram Foundation

(a) Transactions with related parties:

Rs. Crores

S. No.	Nature of transaction	This year					Total	Previous year					Total
		Holding Company	Associates	Subsidiaries	KMP's/Relatives	Trust		Holding Company	Joint Venture	Subsidiaries	KMP's/Relatives	Trust	
1	Sale of products	-	-	-	-	-	-	-	31.13	-	0.47	-	31.60
2	Common services expenses recovered	-	-	-	-	-	-	-	0.53	-	-	-	0.53
3	Supply of water, power and steam	-	-	-	-	-	-	-	0.08	-	-	-	0.08
4	Rent paid (includes goods and services tax)	-	-	-	3.62	-	3.62	-	-	-	4.28	-	4.28
5	Remuneration (including commission) (i)	-	-	-	48.46	-	48.46	-	-	-	41.71	-	41.71
6	Sitting fees and commission	-	-	-	4.61	-	4.61	-	-	-	4.07	-	4.07
9	Dividend paid	150.37	-	-	5.09	-	155.46	124.13	-	-	4.06	-	128.19
10	Investment in shares	-	8.68	-	-	-	8.68	-	-	-	-	-	-
11	Loans and advances received back (net)	-	-	-	0.06	-	0.06	-	-	-	0.06	-	0.06
12	Contribution to Provident fund trust	-	-	-	-	35.26	35.26	-	-	-	-	31.67	31.67
13	Contribution to Superannuation fund trust	-	-	-	-	8.37	8.37	-	-	-	-	8.24	8.24
14	Contribution for CSR activities	-	-	15.63	-	-	15.63	-	-	7.47	-	-	7.47

(b) Balance outstanding as at the year end

(unsecured unless otherwise stated)

Rs. Crores

S. No.	Nature of outstanding	This year					Total	Previous year					Total
		Holding Company	Associates	Subsidiaries	KMP's/Relatives	Trust		Holding Company	Joint Venture	Subsidiaries	KMP's/Relatives	Trust	
1	Security deposits receivable	-	-	-	8.40	-	8.40	-	-	-	8.40	-	8.40
2	Loans and advances receivable	-	-	-	0.06	-	0.06	-	-	-	0.12	-	0.12
3	Interest receivables	-	-	-	0.08	-	0.08	-	-	-	0.08	-	0.08
4	CSR contribution payable	-	-	4.09	-	-	4.09	-	-	-	-	-	-
5	Commission payable	-	-	-	26.99	-	26.99	-	-	-	23.51	-	23.51

The transactions with related parties are as per the terms of arrangement between the parties in the normal course of business and to be settled through receipt/payment or sale/purchase of goods or services.

- (i) Provision for incremental gratuity liability and leave encashment for the current year in respect of directors has not been considered above, since the provision is based on an actuarial basis for the Company as a whole.

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

32. Employee Benefits

The Group has classified the various benefits provided to employees as under:-

(i) Defined contribution plans:

The Group has recognized the following amounts in the statement of profit and loss:

	Rs. Crores	
	This year	Previous year
Employers' contribution to provident fund*	35.91	32.08
Employers' contribution to superannuation fund	8.51	8.25
Employers' contribution to national pension scheme	4.69	3.87
Total	49.11	44.20

* There is no shortfall in the interest cost for which Company is liable as at the date of financial statement.

(ii) Disclosure in respect of Defined benefit obligation (Gratuity) is as under:

The principal assumptions used for the purpose of actuarial valuation were as under:

Particulars	Rs. Crores	
	As at March 31, 2023	As at March 31, 2022
Discount rate		
- DCM Shriram Limited	7.53%	7.28%
- Subsidiaries	7.55%	7.25%
Expected rate of salary increase	8.00%	8.00%-8.5%
Mortality rate	IALM (2012-14) ultimate	IALM (2012-14) ultimate
Withdrawal rates:		
- Upto 30 years	3%	3%
- 31 to 44 years	2%	2%
- above 44 years	1%	1%
Retirement age	58/60 yrs	58/60 yrs

(a) Amount recognised in statement of profit and loss in respect of the defined benefit plan are as follows:

	Rs. Crores	
	This year	Previous year
Components of defined benefit costs recognised in statement of consolidated profit and loss*		
Current service cost	13.86	15.38
Net interest expense	10.48	9.65
Components of defined benefit costs recognised in profit and loss	24.34	25.03
Components of defined benefit costs recognised in other comprehensive income		
Actuarial (gain)/loss from changes in financial assumptions	(3.42)	(3.38)
Actuarial (gain)/loss arising from experience adjustments	2.70	2.59
Return on plan assets (higher)/lower than discount rate	0.10	0.04
Total actuarial (gain)/loss recognised in other comprehensive income	(0.62)	(0.75)
Total amount recognised in statement of consolidated profit and loss	23.72	24.28

* included in the salaries, wages, bonus, gratuity etc in note 22 "Employee Benefits expense".

(b) The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit obligation/plans is as follows:

	Rs. Crores	
	As at March 31, 2023	As at March 31, 2022
Present value of defined benefit obligation	178.82	170.92
Fair value of plan assets	(7.97)	(8.26)
Net liability arising from defined benefit obligation	170.85	162.66
- Non-current liability	142.29	136.38
- Current liability	28.56	26.28

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

(c) Movements in the present value of defined benefit obligations are as follows:

	Rs. Crores	
	This year	Previous year
Opening defined benefit obligation	170.92	164.23
Current service cost	13.86	15.38
Interest cost	11.08	10.16
Remeasurement (gains)/losses:		
- Actuarial (gain)/loss from changes in financial assumptions	(3.42)	(3.38)
- Actuarial (gain)/loss arising from experience adjustments	2.70	2.59
Benefits paid by employer	(14.49)	(17.55)
Benefits paid from plan assets	(1.83)	(0.51)
Closing defined benefit obligations	178.82	170.92

(d) Movements in the fair value of plan assets are as follows:

	Rs. Crores	
	This year	Previous year
Opening fair value of plan assets	8.26	7.37
Expected return on plan assets	0.60	0.51
Employer contribution	1.04	0.92
Remeasurement gains/(losses):		
- Return on plan assets (higher)/lower than discount rate	(0.10)	(0.04)
Benefits paid	(1.83)	(0.50)
Closing fair value of plan assets	7.97	8.26

(e) Sensitivity analysis

	Rs. Crores	
	As at March 31, 2023	As at March 31, 2022
The Value of gross benefit obligation as mentioned above, on account of sensitivity in significant assumptions, would be as under :		
Discount rate		
(i) Discount rate -100 basis point	189.77	181.93
(ii) Discount rate +100 basis point	165.24	157.67
Salary increase rate		
(i) rate -100 basis point	166.40	158.74
(ii) rate +100 basis point	188.02	180.26

(f) Major categories of plan assets

The plan assets at one of the unit are maintained with LIC of India Gratuity Scheme. The details of investment maintained by LIC are not available and have therefore not been disclosed.

(g) The Company expects to contribute Rs. 1.26 crores to the LIC fund during the year 2023-24 (previous year - Rs. 1.20 Crores).

(h) The average expected future working life of members of the defined benefit obligation as at March 31, 2023 is 15.90 years (as at March 31, 2022: 15.63 years)

(i) The maturity profile of defined benefit obligation is as follows:

	Rs. Crores	
	As at March 31, 2023	As at March 31, 2022
within 1 year	36.16	34.53
between 2-5 years	61.75	56.97
between 6-10 years	63.07	63.18

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

33. (a) Amount recognised in statement of consolidated profit and loss for investment properties

	Rs. Crores	
	This year	Previous year
Rental income	-	0.13
Income from investment properties before depreciation	-	0.13
Depreciation	-	0.03
Income from investment properties after depreciation	-	0.10

(b) Fair value

The fair value of the Group's investment properties as at March 31, 2023 and March 31, 2022 have been arrived at on the basis of a valuation carried out by government approved independent valuers. The inputs used in fair valuation are circle rate of the property, prevailing market price of the similar kind of property in that area and other relevant factors.

Information about the fair value of the Group's investment properties and fair value hierarchy are as follows:

	Rs. Crores	
	As at March 31, 2023	As at March 31, 2022
Fair value of the investment properties (Rs. Crores)	17.99	16.60
Fair valuation hierarchy	Level 3	Level 3

34 Disclosure of Ind AS 116 'Leases' :

(i) Assets taken on lease

(a) Amounts recognised in the consolidated statement of profit or loss

	Rs. Crores	
	This year	Previous year
Depreciation charge of right-of-use assets		
Buildings	18.67	19.47
Leasehold land	0.75	0.26
Vehicle	0.47	0.39
	19.89	20.12
Interest expense (included in finance cost)	5.90	5.62
Expense relating to short-term leases (included in Rent)	5.26	1.60
Total cash outflows for leases	20.59	23.18
Amount of lease commitments for short-term leases	2.59	1.10

(b) Carrying amount of right-of-use assets at the end of the reporting period by class of underlying asset:

	Rs. Crores	
	As at March 31, 2023	As at March 31, 2022
Building	65.88	62.56
Leasehold land	94.74	20.39
Vehicle	2.49	1.73
	163.11	84.68

(c) The Group's leasing activities:

The Group has entered into lease agreements for lease of offices, showrooms, godowns etc., generally for a period of 6 months to 11 years with renewal option and which can be terminated after lock-in-period by serving notice period as per the terms of the agreements.

(d) In applying IndAS 116, the Company has used the following practical expedients:

- elected not to assess whether a rent concession that meets the conditions in paragraph 46B is a lease modification.
- Rs. Nil recognised as 'Other income' in statement of profit and loss for financial year ended March 31, 2023 to reflect reduction in lease payments that arise from rent concessions to which the Company has applied the practical expedient (2021-22 - Rs 0.34 crores).

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

(iii) Assets given on lease:

- (i) The Company has entered into operating lease arrangements for buildings (including certain other assets). The details of leased assets are as under:

	Gross Block as at		Accumulated depreciation as at		Depreciation	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	This year	Previous year
Land and building	13.31	13.31	1.74	1.53	0.21	0.21
Plant and equipment	0.15	0.15	0.12	0.11	0.01	0.01
Furniture and fixtures	0.16	0.16	0.12	0.12	-	-
Office equipments	0.01	0.01	-	-	-	-
	13.63	13.63	1.98	1.76	0.22	0.22

Rs. Crores

- (ii) Information w.r.t. non-cancellable leases:

	Rs. Crores	
	This year	Previous year
Future minimum lease rent receivables	8.70	9.18
- Not later than one year	0.51	0.47
- Later than one year and not Later than two years	0.52	0.51
- Later than two year and not Later than three years	0.52	0.52
- Later than three year and not Later than four years	0.52	0.52
- Later than four year and not Later than five years	0.52	0.52
- Later than five years	6.11	6.64

During the year Company has earned lease income of Rs 0.63 crores crores (2021-22: Rs 0.74 crores)

- 35 Provision for contingencies in note 14 represents provision for various contingencies resulting from issues relating to reconstruction arrangement of the companies and other uncertainties requiring management judgement.

Particulars	Rs. Crores	
	As at March 31, 2023	As at March 31, 2022
As at the beginning of the year	12.11	12.10
Less: Additions during the year	-	0.01
As at the end of the year	12.11	12.11

- 36 Expenditure on corporate social responsibility activities under section 135 of the Companies Act 2013 as under:

Particulars	Rs. Crores	
	This year	Previous year
Amount required to be spent during the year	22.39	20.06
Actual expenditure incurred related to above obligation ¹	18.89	17.55
Unspent amount at the end of year related to ongoing projects ²	3.50	2.51
Total of previous years unspent amount related to ongoing projects ²	0.36	-

Movement of provision created for liability incurred by entering into contractual obligation

Particulars	Rs. Crores	
	This year	Previous year
Opening balance as at beginning of the year	-	-
Created during the year	3.86	-
Utilised during the year	-	-
Closing balance as at year end	3.86	-

1. Includes given to related parties [refer note 31(b)]

2. Unspent amount relates to ongoing projects for which the activities are planned in subsequent years. As per section 135(6) of the Companies Act, the said unspent amount relating to ongoing projects have been deposited in "Unspent CSR Bank account"

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

Details of CSR projects/activity are as under:

CSR project or activity	This year	Previous year
Promoting health care including Preventive healthcare and Sanitation	8.48	6.35
Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare	0.90	2.02
Eradicating hunger, poverty and malnutrition, drinking water and rural development projects	2.75	2.60
Promoting education, livelihood and Empowering Women	5.65	2.09
Disaster management, including relief, rehabilitation and reconstruction activities	-	3.50
Overheads	1.11	0.99
Total	18.89	17.55

37 Research and development expenses included under relevant heads in the statement of profit and loss Rs. 57.90 crores (2021-22 - Rs. 54.22 crores)..

38 Employee share based payments (refer note 12)

The Company has an Employees Stock Purchase Scheme (DCM Shriram ESPS) which is administered through DCM Shriram Employees Benefits Trust based on acquisition of shares from the market to provide equity based incentives to employees under the Scheme. The shares offered, lock-in-period and grant price may be different for different eligible participants and determined at the time of every grant of shares. The expenses related to the grant of shares under the Scheme is accounted for on the basis of the fair value (which equals to market price of the Company's share on date of grant less exercise price) of share on the date of grant and is amortized on a straight line basis over the lock-in period, if any.

The number and weighted average fair value of equity shares granted during the year are as under:

Particulars	Rs. Crores	
	This year	Previous year
No. of equity shares granted during the year	43,200	1,07,500
Weighted average fair value on the grant date (Rs per equity share)	1,021.49	938.82

39. Assets pledged as security

A. The carrying amount of assets pledged as security for borrowings are as under:

	Rs. Crores	
	As at March 31, 2023	As at March 31, 2022
Financial assets	1,795.31	2,584.06
Inventories	2,345.69	2,268.42
Property, Plant and Equipment and intangible assets (including capital work-in-progress but excluding right of use assets-building)	5,485.44	3,610.35
Total	9,626.44	8,462.83

B. Nature of security and terms of repayment for secured borrowings

S. No.	Nature of Security	Terms of Repayment as at March 31, 2023
Short term working capital borrowings from banks:		
Company		
1.	Short Term Loans of Rs. 200 Crores (March 31, 2022 - Rs. 325 Crores) are secured by first pari passu charge on whole of the current assets, both present and future, of the company (except Shriram Bioseed Genetics, Hyderabad & Bioseed Research India, Hyderabad). These loans are further secured by a third charge by way of mortgage/hypothecation of all the immovable/movable properties (other than current assets) of the Company's undertakings at Kota in Rajasthan and Ajbapur, Rupapur, Loni & Hariawan in Uttar Pradesh.	- Repayable on demand
2.	Short Term Loan of Rs. 78 Crores (March 31, 2022 - Rs. 78 Crores) is secured by first pari passu charge by way of hypothecation on book debts and stocks, both present and future of the Company's undertakings at Shriram Bioseed Genetics and Bioseed Research India, Hyderabad.	- Repayable as per terms of agreement upto Apr 21, 2023
3.	Short Term Loans of Rs. 45 Crores (March 31, 2022 - Rs. Nil Crores) is secured by lien on fixed deposits placed with bank.	- Repayable as per terms of agreement upto May 16, 2023

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

Subsidiary (Shriram Polytech Limited) refer note 41		
1.	Loan from banks on cash credit account of nil (March 31, 2022 - Rs. 5.67 crores) are secured by first charge on whole of the current assets, both present and future, of the company. The Loans is further secured by a first charge by way of hypothecation of all the movable properties (other than current assets) of the Subsidiary's undertakings at Kota in Rajasthan.	- Repayable on demand
Non convertible debentures (NCD):		
1.	NCD of Rs. 175.05 Crores (March 31, 2022- Rs. 197.95 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed Assets, both present and future and a second charge ranking pari passu on the current assets, both present and future, pertaining to the Company's Bharuch unit, Gujarat (Rs. 23.53 Crores due within 1 year; March 31, 2022 - Rs 23.53 Crores) (ROI - 7.05% p.a.)	- Repayable in 15 equal semi annual installments.
Long term loans from banks:		
Company		
1.	Term loan of Rs. 157.82 Crores (March 31, 2022 - Rs. 159.35 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Ajbapur, Uttar Pradesh (Rs. 1.53 Crores due within 1 year; March 31, 2022 - Rs 1.53 Crores)	- Rs. 157.82 Crores repayable in 24 quarterly installments
2.	Term loans of Rs. 54.75 Crores (March 31, 2022 - 145.32 Crores) are secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Hariawan, Uttar Pradesh (Rs. 7.88 Crores due within 1 year; March 31, 2022 - Rs 1.32 Crores)	- Rs. 15 Crores repayable in 2 annual installment commencing from December, 2023 - Rs. 39.75 Crores repayable in 24 quarterly installments
3.	Term loan of Rs. 46.63 Crores (March 31, 2022 - Rs. 84.73 crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Ajabpur and Loni, Uttar Pradesh. (Rs. 38.99 Crores due within 1 year; March 31, 2022 - Rs 40.35 Crores)	- Repayable in 15 monthly installments.
4.	Term Loan of Rs 21 Crores (March 31, 2022 - Rs 21 Crores) is secured by way of First pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Loni, Uttar Pradesh. (Rs. 7 Crores due within 1 year; March 31, 2022 - Rs Nil)	Repayable in 3 equal annual installments commencing from June 2023.
5.	Term loan of Rs. 141.53 Crores (March 31, 2022 - Rs. 141.53 Crores) is secured by way of first pari passu mortgage/charge to be created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Kota, Rajasthan (Rs. 7.08 Crores due within 1 year; March 31, 2022 - Rs Nil Crores)	Repayable in 12 Semi- annual installments commencing from June 2023.
6.	Term loans of Rs. 389.09 Crores (March 31, 2022 - Rs. Nil Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed Assets, both present and future pertaining to the Company's Bharuch unit, Gujarat (Rs. 2 Crores due within 1 year; March 31, 2022 - Rs Nil Crores)	- Rs. 198.56 Crores repayable in 26 quarterly installment. - Rs. 190.53 Crores repayable in 10 equal semi annual installments commencing from Mar 2025.
Long term loans from others:		
Company		
1.	Term Loan of Rs 128.50 Crores (March 31, 2022 - Rs 133.92 Crore) is secured by way of First pari passu mortgage/charge created on immovable and movable Fixed Assets, both present and future and a second charge ranking pari passu on the current assets, both present and future, pertaining to the Company's unit at Hariawan, UP. (Rs 17.30 crore due within 1 year; March 31, 2022 - Rs 15.96 Crore)	Repayable in 15 equal semi annual installments



Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

Long term loans from others:		
Company		
2.	Term loan of Rs. 100.39 Crores (March 31, 2022 - Rs. 98.35 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed Assets, both present and future and a second charge ranking pari passu on the current assets, both present and future, pertaining to the Company's Bharuch unit, Gujarat (Rs. 12.56 Crores due within 1 year; March 31, 2022 - Rs 5.79 Crores)	Repayable in 16 equal semi annual installments
3.	Term Loan of Rs. 17.75 Crores (March 31, 2022 - Rs. 24.43 Crores) is secured by way of a first pari passu charge on all immovable and movable properties both present and future, pertaining to the Company's Ajbapur Sugar Complex, Uttar Pradesh (Rs 7.40 Crores due within 1 year; March 31, 2022 - Rs 7.40 Crores)	- Repayable in 10 equal semi annual installments commencing after 3 years from respective drawdown
4.	Term loan of Rs. 0.84 Crores (March 31, 2022 - Rs. 0.92 Crores) from Department of Biotechnology, Government of India is secured against hypothecation of plant & machinery, machinery spares, tools and accessories acquired from the loan proceeds to Company's Bioseed Research India division. (Rs. 0.20 Crores due within 1 year; March 31, 2022 - Rs 0.20 Crores)	- Repayable in 9 equal semi annual installments
5.	Term Loan of Rs. 7.12 Crores (March 31, 2022 - Rs. 20.52 Crores) is secured by way of a first pari passu charge on all immovable and movable properties both present and future, pertaining to the Company's Hariawan Sugar Complex, Uttar Pradesh (Rs. 7.12 Crores due within 1 year; March 31, 2022 - Rs 14.25 Crores)	- Repayable by Sep, 2023.
6.	Term Loan of Rs. 31.37 Crores (March 31, 2022 - Rs. Nil Crores) is secured by way of a first pari passu charge created on all movable properties both present and future, pertaining to the Company's Hariawan Sugar Complex, Uttar Pradesh. Further, the said loan is also secured by bank guarantee (Rs. Nil Crores due within 1 year; March 31, 2022 - Rs Nil Crores).	- Repayable in 10 equal semi annual installments commencing after 3 years from respective drawdown

C. Statements filed with Banks or Financial Institutions

Quarterly returns and statements filed by the Group with banks or financial institutions are in agreement with the books of accounts.

40. Income tax expense

	Rs. Crores	
	This year	Previous year
(a) Income tax expense		
Current tax		
Current tax on profits for the year	254.97	277.18
Adjustments for current tax of earlier years *	2.17	(1.22)
Total current tax expense	257.14	275.96
Deferred tax		
Deferred tax charge/(credit)	258.75	224.70
Adjustments for deferred tax of earlier years *	(13.60)	(1.81)
Total tax expense	502.29	498.85
(b) Reconciliation of tax expense and the accounting profit		
Profit before tax	1,413.13	1,564.98
Income tax expense calculated at 34.944%	493.80	546.87
Tax adjustment of earlier years	(11.43)	(3.03)
(i) Tax effect of:		
- Corporate social responsibility expenses not allowed as deduction	6.32	4.78
- Tax Adjustment relating to Income from Subsidiary	18.56	-
- Deduction under section 80-IA of the Income-tax Act, 1961	-	(41.49)
- deductible temporary differences on which no deferred tax is recognised	0.66	(0.02)
- different tax rates of subsidiaries operating in other jurisdiction	(1.07)	6.18
(ii) Others	(4.55)	(14.44)
Income tax expense	502.29	498.85
(c) Tax effect on unrecognised temporary differences relating to:		
(i) Unabsorbed business loss	2.50	3.73
(ii) Unabsorbed Long Term Capital Loss	2.90	-
(iii) Unabsorbed Business Depreciation	0.35	0.10
Total	5.75	3.83

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

(d) Deferred tax movements

Deferred tax assets/(liabilities) in relation to:

						Rs. Crores
	Provision for gratuity and compensated absences	Provision for doubtful debts and advances	Depreciation	Others	MAT credit entitlement	Total
As at April 1, 2021	96.49	45.78	(548.92)	11.48	392.41	(2.76)
(Charged)/credited to:						
Profit or loss	3.10	3.16	(13.18)	(6.84)	(210.94)	(224.70)
Pursuant to acquisition of joint venture	0.16	0.03	0.02	0.15	-	0.36
Other comprehensive income	(0.31)	-	-	4.81	-	4.50
Adjustment related to earlier years *	-	-	0.11	(0.72)	2.42	1.81
As at March 31, 2022	99.44	48.97	(561.97)	8.88	183.89	(220.79)
(Charged)/credited to:						
Profit or loss	5.20	(17.90)	(55.04)	0.47	(191.48)	(258.75)
Pursuant to acquisition of joint venture	-	-	-	-	-	-
Other comprehensive income	(0.15)	-	-	(6.60)	-	(6.75)
Adjustment related to earlier years *	-	(7.46)	(1.72)	15.19	7.59	13.60
As at March 31, 2023	104.49	23.61	(618.73)	17.94	-	(472.69)

* Tax charge of earlier years finalised on filing of returns/completion of assessments with corresponding impact on MAT

41. Information with respect to a joint venture is as under (refer note 3.1):

(a) On October 19, 2021, the Company acquired 1,732,500 equity shares (entire 50% stake of JV Partner) of Shriram Axiall Private Limited (now Shriram Polytech Limited) from the JV Partner Axiall LLC USA, thereby making it a 100% subsidiary of the Company. Necessary disclosures pursuant to abovesaid acquisition is as under:

- | | |
|--|---------------------|
| (i) Cost of acquisition at which shares are acquired | Rs 137.40 per share |
| (ii) Acquisition-date fair value of the equity interest in the acquiree held by the acquirer immediately before the acquisition date | Rs 27.40 crores |
| (iii) Share in JV upto 18th October 2021 | Rs. Crores |

Particulars	For the period (Upto 18th October 2021)
Share of profit before tax	1.64
Share of profit after tax	1.22
Share of other comprehensive income/(loss)	-
Share of total comprehensive income/(loss)	1.22
Ownership Interest	50%

(iv) Consolidated statement of profit and loss for the year ended March 31, 2023 and March 31, 2022 includes the following numbers of Shriram Polytech Limited since the acquisition date

Particulars	Rs. Crores	
	For the year April 1, 2022 to March 31, 2023	For the period October 19, 2021 to March 31, 2022
Total revenue from operations	194.82	91.65
Profit after tax	3.56	2.49

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

42 Financial instruments by category

The criteria for recognition of financial instruments is explained in significant accounting policies note 1.4 (k)

Rs. Crores

	As at March 31, 2023			As at March 31, 2022		
	Amortised cost*	FVTOCI	FVTPL	Amortised cost*	FVTOCI	FVTPL
Financial assets						
Investments						
- Equity instruments	-	3.30	8.76	-	2.80	0.09
- Government securities	0.06	-	-	0.06	-	-
Trade receivables	868.91	-	-	906.75	-	-
Loans	29.01	-	-	29.73	-	-
Cash and cash equivalents and bank balances	603.64	-	370.35	877.81	-	729.06
Derivative financial assets	-	-	5.75	-	-	2.29
Others	72.05	-	-	64.49	-	-
Total financial assets	1,573.67	3.30	384.86	1,878.84	2.80	731.44
Financial liabilities						
Borrowings	1,632.98	-	-	1,508.84	-	-
Lease liability	74.19	-	-	68.43	-	-
Trade payables	1,010.74	-	-	960.31	-	-
Derivative financial liabilities	-	-	0.42	-	-	8.32
Other financial liabilities	414.44	-	-	219.19	-	-
Total financial liabilities	3,132.35	-	0.42	2,756.77	-	8.32

* The fair value of non-current financial assets and financial liabilities carried at amortized cost is substantially same as their carrying amount.

43 Capital management

The Group endeavors to optimize debt and equity balance and provide adequate strength to the balance sheet. The Group monitors capital on the basis of debt equity ratio.

44 Financial risk management

The Group's activities expose it to various financial risks : Credit risk, Liquidity risk and Market risk.

44.1 Credit risk management

Credit risk arises from credit exposure to customers (including receivables and deposit), loans and other financial assets. The Group perform credit evaluation and defines credit limits for each customer/counter party. The Group also continuously reviews and monitors the same.

The provision for doubtful debts or provision for impairment of investments etc is made on case to case basis, based on the information related to financial position, past history/ageing and other relevant available information about the counterparty. The Group also makes general provision for lifetime expected credit loss based on its previous experience of provision/write off in previous years

The movement in the provision for doubtful debts and provision diminution in value of investments is as under:

Rs. Crores

	Trade receivables	Loans	Investments
Provision as at April 1, 2021	66.54	0.74	2.25
Provision made during the year 2021-22	7.78	-	-
Written off/(written back) during the year 2021-22	(0.02)	-	-
Provision acquired pursuant to acquisition of joint venture	2.19	-	-
Provision as at March 31, 2022	76.49	0.74	2.25
Provision made / (reversal including written off) during the year 2022-23	(13.06)	0.37	-
Provision as at March 31, 2023	63.43	1.11	2.25

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

44.2 Liquidity risk management

- (i) The Group manages liquidity by ensuring control on its working capital which involves adjusting production levels and purchases to market demand and daily sales of production and low receivables. It also ensures adequate credit facilities sanctioned from bank to finance the peak estimated funds requirements. The working capital credit facilities are continuing facilities which are reviewed and renewed every year. The Group also ensures that the long term funds requirements are met through adequate availability of long term capital (Debt & Equity).

	Rs. Crores	
	As at March 31, 2023	As at March 31, 2022
Total Committed working capital limits from Banks	1,094.00	859.00
Utilized working capital limit	323.00	408.67
Unutilized working capital limit	771.00	450.33

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amount disclosed in the table are the contractual undiscounted cash flow.

Contractual maturities of financial liabilities

	Rs. Crores			
	Upto 1 year	Between 1 year to 5 year	Over 5 years	Total
As at March 31, 2023				
Non-derivatives				
Borrowing *	156.25	794.81	369.20	1,320.26
Trade Payables	1,010.74	-	-	1,010.74
Lease liabilities	13.00	55.61	5.58	74.19
Other financial liabilities	414.41	0.03	-	414.44
Total non-derivative liabilities	1,594.40	850.45	374.78	2,819.63
Derivatives (net settled)				
Interest rate swap	-	-	-	-
Foreign exchange forward contracts	0.42	-	-	0.42
Total derivative liabilities	0.42	-	-	0.42
As at March 31, 2022				
Non-derivatives				
Borrowing *	148.83	550.49	410.25	1,109.57
Trade Payables	960.31	-	-	960.31
Lease liabilities	12.63	45.14	10.66	68.43
Other financial liabilities	219.14	0.05	-	219.19
Total non-derivative liabilities	1,340.91	595.68	420.91	2,357.50
Derivatives (net settled)				
Interest rate swap	-	-	-	-
Foreign exchange forward contracts	8.32	-	-	8.32
Total derivative liabilities	8.32	-	-	8.32

* Excludes utilized working capital limited disclosed in note 44.2 (i)

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2023

(iii) Reconciliation for financial liabilities arising from financing activities as per Para 44A of IndAS 7.

Rs. Crores

Particulars	Long term borrowings	Short term borrowings	Interest accrued on borrowings	Lease liability
Closing balance as on April 1, 2021	1,176.43	275.22	5.84	69.53
Add: Additions during the year	239.18	168.45*	56.32	19.58
Less: Repayments during the year	(365.47)	-	(57.46)	(17.56)
Add/(Less): Foreign exchange fluctuation (gain)/loss	7.25	-	-	(0.08)
Less: Derecognition during the year	-	-	-	(3.04)
Add/(Less): Amortisation impact on borrowings	7.78	-	-	-
Closing balance as on March 31, 2022	1,065.17	443.67	4.70	68.43
Add: Additions during the year	431.80	(120.67)*	86.59	20.73
Less: Repayments during the year	(205.15)	-	(86.88)	(15.03)
Add/(Less): Foreign exchange fluctuation (gain)/loss	19.00	-	-	0.06
Less: Derecognition during the year	-	-	-	-
Add/(Less): Amortisation impact on borrowings	(0.84)	-	-	-
Closing balance as on March 31, 2023	1,309.98	323.00	4.41	74.19

* net movement during the year

44.3 Market Risk

a) The Group's operations are mainly in India and therefore rupee denominated, except the following:

- Foreign currency denominated loans (Long term & Short term)
- Imports of some raw material, stores & spares and capital equipments
- Export of finished goods

The Group follows a policy of keeping these liabilities/assets fully hedged against foreign currencies. Regarding interest rate fluctuation, it follows a policy of partial hedge.

Some of the rupee liabilities have interest linked to the bank's MCLR or Financial market benchmark rates and are subject to variation in such rates.

b) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate change at the end of the reporting period are as follows:

Rs. Crores

	As at March 31, 2023	As at March 31, 2022
Variable rate borrowings		
Long Term	607.50	536.41
Short Term	105.83	193.97
Total Variable rate borrowings	713.33	730.38
Fixed rate borrowings		
Long Term	546.24	414.93
Short Term	373.41	363.53
Total fixed Rate borrowings	919.65	778.46
Total Borrowings	1,632.98	1,508.84

c) Sensitivity

Variable interest rate loans are exposed to Interest rate risk, the impact on Profit or loss before tax may be as follows:

Rs. Crores

	Increase / (Decrease)	
	March 31, 2023	March 31, 2022
Interest rate- increase by 100 basis points (100 bps)*	(7.13)	(7.30)
Interest rate- decrease by 100 basis points (100 bps)*	7.13	7.30

* Holding all other variable constant

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

44.4 Impact of hedging activities

(a) Disclosure of effects of hedge accounting on financial position:

Rs. Crores

Type of hedge and risks	Nominal value of hedged instruments#		Carrying amount of hedging instrument##		Maturity date	Hedge ratio	Weighted average strike price/rate	Gain(loss) in fair value of hedging instrument	Gain(loss) in the value of hedged item used as the basis for recognizing hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
March 31, 2023									
Cash Flow hedge									
Foreign exchange risk									
(i) Foreign exchange forward contracts	247.92	37.94	251.85	37.82	3-Apr-23 to 27-Sep-23	1:1	USD 82.74 EUR 83.21 JPY 0.59 CHF 82.10 GBP 100.17 SEK 7.94 AED 22.44	4.05	4.05
Fair value hedge									
(i) Foreign exchange forward contracts	223.12	13.41	249.99	13.44	11-Apr-23 to 17-Mar-31	1:1	USD 73.41 EUR 88.77 SEK 12.16	27.01	27.01
March 31, 2022									
Cash Flow hedge									
Foreign exchange risk									
(i) Foreign exchange forward contracts	328.11	37.51	320.50	37.52	05-Apr-22 to 17-Feb-23	1:1	USD 75.74 EUR 84.73 JPY 0.66 CHF 81.85 GBP 100.18	(7.72)	(7.72)
Fair value hedge									
(i) Foreign exchange forward contracts	232.09	51.96	242.34	53.80	4-Apr-22 to 31-Jan-23	1:1	USD 69.64 EUR 87.37 SEK 8.46	8.34	8.34

Nominal value is the INR value of the instrument based on spot rate of the first hedge

Carrying value is the INR value of the instrument based on the spot rate of the reporting date

(b) Disclosure of effect of hedge accounting on financial performance

Rs. Crores

Movement in cash flow hedging reserve

Risk category Derivative instrument	Foreign currency risk	Interest rate risk	Total
	Foreign exchange forward contracts	Interest rate swaps	
(i) Cash flow hedging reserve			
As at April 1, 2021	1.24	(2.04)	(0.80)
Add: Change in spot element of foreign exchange forward contracts	(17.28)	-	(17.28)
Add: Changes in fair value of interest rate swaps	-	3.81	3.81
Less: Amount reclassified to profit or loss under the heading 'Cost of materials consumed'	(0.41)	-	(0.41)
Less: Amount included in Property, plant and equipment	0.14	-	0.14
Less: Deferred tax relating to above (net)	4.81	-	4.81
As at March 31, 2022	(11.50)	1.77	(9.73)
Add: Change in spot element of foreign exchange forward contracts	2.42	-	2.42
Add: Changes in fair value of interest rate swaps	-	0.77	0.77
Less: Amount reclassified to profit or loss under the heading 'Cost of materials consumed'	1.44	-	1.44
Less: Amount included in Property, plant and equipment or capital advance	14.25	-	14.25
Less: Deferred tax relating to above (net)	(6.33)	(0.27)	(6.60)
As at March 31, 2023	0.28	2.27	2.55

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

45 Fair value hierarchy (refer note 42)

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table presents fair value hierarchy of financial assets and financial liabilities measured at fair value on a recurring basis:

Rs. Crores				
Financial assets and liabilities measured at fair value	Level 1	Level 2	Level 3	Total
As at March 31, 2023				
Financial assets				
Financial investments in liquid mutual fund at FVTPL	370.35	-	-	370.35
Financial investments in unquoted equity investments at FVTPL	-	-	8.68	8.68
Financial investments in quoted equity investments at FVTPL	0.08	-	-	0.08
Financial investments at FVTOCI				
- unquoted equity investments	-	-	2.10	2.10
- quoted equity investments	1.20	-	-	1.20
Interest rate swaps designated in hedge accounting relationship at FVTOCI	-	3.27	-	3.27
Foreign currency forward contracts designated in hedge accounting relationship	2.48	-	-	2.48
Total financial assets	374.11	3.27	10.78	388.16
Financial liabilities				
Foreign currency forward contracts designated in hedge accounting relationship	0.42	-	-	-
Total financial liabilities	0.42	-	-	-
As at March 31, 2022				
Financial assets				
Financial investments in liquid mutual fund at FVTPL	729.06	-	-	729.06
Financial investments in quoted equity investments at FVTPL	0.09	-	-	0.09
Financial investments at FVTOCI				
- unquoted equity investments	-	-	1.85	1.85
- quoted equity investments	0.95	-	-	0.95
Interest rate swaps designated in hedge accounting relationship at FVTOCI	-	2.18	-	2.18
Other derivatives (foreign currency options) at FVTPL	-	0.11	-	0.11
Total financial assets	730.10	2.29	1.85	734.24
Financial liabilities				
Foreign currency forward contracts designated in hedge accounting relationship	8.32	-	-	8.32
Total financial liabilities	8.32	-	-	8.32

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 inputs are unobservable inputs for the asset or liability

46. Asset classified as held for sale

The segment to which the 'assets held for sale' relates are as under:

Rs. Crores		
Particulars	As at	As at
	March 31, 2023	March 31, 2022
- Sugar	0.40	1.07
- Bioseed	1.73	1.73
- Chloro Vinyl	-	6.45
- Shriram Farm Solutions	1.37	1.37
- Others (Hariyali Kisaan Bazaar)	11.84	24.40
- Unallocated	7.98	7.77
	23.32	42.79

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

Assets classified as held for sale is measured at the lower of the carrying amount and fair value less costs to sell at the reporting date. The fair value of the assets held for sale is determined using level 3 measurement as per the fair value hierarchy set out in fair value measurement disclosures.

Amounts recognised in the statement of profit and loss on assets held for sale is as under:

Particulars	Rs. Crores	
	This year	Previous year
Provision/(Reversal) for impairment in value of assets held for sale included in 'other expenses' in the statement of consolidated profit and loss	(0.21)	(4.06)
Profit (net) recognised in 'other income' in the statement of profit and loss on sale of assets held for sale	13.24	7.33

47. Disclosure as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is as follow based on the information available with the Company.

Particulars	Rs. Crores	
	This year	Previous year
Principal amount outstanding as at year end	42.10	37.14
Amount of interest paid during the year along with the amounts of the payment made to the supplier before the appointed date	Nil	Nil
Amount of interest due and payable during the year	Nil	Nil
Amount of interest accrued and remaining unpaid at the year end	Nil	Nil

48. Disclosures related to government grant

The government grant/government assistance recognized are as under:

Nature of Grant/assistance	Income/Expense head	Rs. Crores	
		This year	Previous year
Sugar			
Sugar export assistance	Sale of Products	-	1.19
Sugar export assistance	Other operating revenue	-	8.70
Interest subsidy	Other income	11.58	6.03
Benefit of loan at concessional rate of interest	Other Income	3.78	5.55
Bioseed			
Benefit of loan at concessional rate of interest	Other Income	0.02	0.01
Chloro Vinyl			
Incentive under Industrial Policy 2015 of Government of Gujarat	Other Income	5.80	-

49. Hon'ble High Court of Allahabad vide its order dated February 12, 2019 has set aside and quashed the notification withdrawing the Sugar Industrial Promotion Policy 2004 (Policy). The State Government has filed special leave petition (SLP) with Supreme Court against the above said order. The Company has not accrued the benefits consequent to the above said order due to uncertainties of the amount and the collection thereof.

50. Donation includes Rs. 5 crores (2021-22 - Rs. 3 crores) towards political contribution.

51. Information with respect to subsidiaries :

- (i) Bioseed India Limited (a 100% subsidiary) has not been carrying any business. Ministry of Corporate Affairs (MCA) had given the approval on April 3, 2020 for change of status as 'Dormant Company'. Accordingly, the said subsidiary have been preparing its financial statements on liquidation basis of accounting. The total assets of Rs 0.03 crores (March 31, 2022 - Rs 0.04 crores) and total liabilities of Rs 0.01 crores (March 31, 2022 - Rs 0.01 crores) have been included in these consolidated financials based on its recoverable/payable amount. This matter has been emphasised by the subsidiary's statutory auditor in its audit report.
- (ii) During the financial year 2019-20, the Govt of Himachal Pradesh (HP) cancelled the allotment of Chhatru Hydro project of the subsidiary company namely 'DCM Shriram Infrastructure Limited'. The HP High Court has appointed an arbitrator in the matter and the arbitration proceedings are in progress. As there are no other business activities in this subsidiary as of now, the current year's financials have been prepared on liquidation basis of accounting. The total assets of Rs 0.09 crores (March 31, 2022 - Rs 0.11 crores) and total liabilities of nil (March 31, 2022 - Rs 0.01 crores) have been included in these consolidated financials (net of elimination) based on its recoverable/payable amount. This matter has been emphasised by the subsidiary's statutory auditor in its audit report.

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

52. Disclosures related to shareholding of the promoters

						Rs. Crores
Shares held by promoters at the end of the year		No. of Shares		% of total shares		% Change during
S. No	Promoter name	As at March 31, 2023	As at March 31, 2022	As at March 31, 2023	As at March 31, 2022	FY 2022-23
1	SUMANT INVESTMENTS PRIVATE LIMITED	98,282,744	98,282,744	63.03%	63.03%	-
2	AJIT S. SHRIRAM	595,580	595,580	0.38%	0.38%	-
3	AJAY S. SHRIRAM (HUF)	559,330	559,330	0.36%	0.36%	-
4	VIKRAM S. SHRIRAM (HUF)	550,200	550,200	0.35%	0.35%	-
5	VIKRAM S. SHRIRAM	503,310	503,310	0.32%	0.32%	-
6	AJIT S. SHRIRAM (HUF)	500,000	500,000	0.32%	0.32%	-
7	AJAY S. SHRIRAM	493,780	493,780	0.32%	0.32%	-
8	TARA A. SHRIRAM	299,900	299,900	0.19%	0.19%	-
9	ANAND A. SHRIRAM	298,070	298,070	0.19%	0.19%	-
10	NAINIKA V. SHRIRAM	297,900	297,900	0.19%	0.19%	-
11	ADITYA A. SHRIRAM	297,760	297,760	0.19%	0.19%	-
12	PRANAV V. SHRIRAM	297,190	297,190	0.19%	0.19%	-
13	VARUN A. SHRIRAM	296,900	296,900	0.19%	0.19%	-
14	PRABHA SHRIDHAR	220,000	220,000	0.14%	0.14%	-
15	KAVITA V. SHRIRAM	78,680	78,680	0.05%	0.05%	-
16	VANDANA A. SHRIRAM	78,340	78,340	0.05%	0.05%	-
17	RICHA A. SHRIRAM	34,900	34,900	0.02%	0.02%	-
18	AMBIKA JAIPAL SINGH (Jointly with JAYANT JAIPAL SINGH)	34,350	34,350	0.02%	0.02%	-
19	OM PRAKASH JHALANI (Jointly with ANOOP JHALANI AND PRADEEP JHALANI)	5,000	5,000	0.00%	0.00%	-
20	KAUSHIK DEVA	13,000	13,000	0.01%	0.01%	-
	Total	103,736,934	103,736,934	66.49%	66.49%	

53. Details of transactions with intermediary(ies) or ultimate beneficiary(ies)

(a) Investment in equity shares

Transaction	Name of Intermediary	Date	Amount	Transaction	Ultimate beneficiary	Date	Amount
Loan to intermediary	DCM Shriram Credit and Investments limited (Subsidiary)	September 20, 2022	Rs 0.25 crores	Investment in equity shares	Biomass India Private Limited	September 20, 2022	Rs 0.25 crores

(b) Capital Restructuring

(I) During the year, the Company completed the capital restructuring of loans/investments made by the Company in subsidiaries (domestic/overseas).

The summary of restructuring activities is as under:

During September - November 2023, amount invested in equity share capital of Shriram Bioseed Ventures Limited (SBVL) which has further invested Rs. 81.45 crores in equity share capital of Bioseed Holdings PTE. Ltd. (BHP)	Rs. 192.50 crores
Amount received back from SBVL towards repayment of loan and interest from SBVL/ BHP towards payment of interest:	Rs. 187.90 crores

Further, BHP has converted the loan outstanding amounting to Rs.20.90 crores of DCM Shriram Limited into Equity share capital.

(II) During the year, the Company received Rs 53.78 crores interest income (income tax impact : Rs 18.56 crores) relating to earlier years from Shriram Bioseed Ventures Limited. The same has been recognised in 'Other Income' in the standalone financial statements

(c) No funds have been received by the subsidiaries other than as disclosed above from any person or entities with the understanding that the subsidiaries shall directly or indirectly, lend or invest in other person/entities or on behalf of the funding party (Ultimate beneficiary).

54. The Board of Directors, in its meeting held on May 02, 2023, have recommended a final dividend of Rs. 3.60 /- per equity share of Rs 2/- each aggregating to Rs. 56.14 crores for the financial year ended March 31, 2023. The recommendation is subject to the approval of shareholders at the forthcoming Annual General Meeting.

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

55. Statement showing ageing schedules pursuant to Schedule III of the Companies Act 2013

(a) Capital work in progress

(i) As at March 31, 2023

1. Ageing of Capital work in progress

Rs. Crores

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,221.38	283.59	57.29	7.75	1,570.01
Others	45.36	1.82	1.07	-	48.25
Total	1,266.74	285.41	58.36	7.75	1,618.26

2. Capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan:

Rs. Crores

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
120 MW Captive thermal power plant	540.28	-	-	-	-
Hydrogen Peroxide (H2O2)	214.75	-	-	-	-
Total	755.03	-	-	-	-

(b) Ageing of Intangible assets under development

Rs. Crores

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (Pertaining to development of trait for seeds)	2.60	3.48	0.72	5.04	11.84
Total	2.60	3.48	0.72	5.04	11.84

(a) Capital work in progress

(i) As at March 31, 2022

1. Ageing of Capital work in progress

Rs. Crores

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	385.87	57.88	10.47	-	454.22
Others	30.37	0.49	-	-	30.86
Total	416.24	58.37	10.47	-	485.08

2. Capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan:

Rs. Crores

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
120 MW Captive thermal power plant	321.04	-	-	-	-
Total	321.04	-	-	-	-

(b) Ageing of Intangible assets under development

Rs. Crores

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress (Pertaining to development of trait for seeds)	3.48	0.72	5.04	-	9.24
Total	3.48	0.72	5.04	-	9.24

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

56 Statement showing ageing schedules pursuant to Schedule III of the Companies Act 2013

(a) Trade payables ageing schedule

(i) As at March 31, 2023

Rs. Crores

Particulars	Not due*	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payable						
(i) total outstanding dues of micro enterprises and small enterprises	42.10	-	-	-	-	42.10
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	566.16	374.42	5.78	3.90	18.38	968.64
Disputed trade payable	-	-	-	-	-	-

* includes unbilled dues

(ii) As at March 31, 2022

Rs. Crores

Particulars	Not due*	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payable						
(i) total outstanding dues of micro enterprises and small enterprises	37.14	-	-	-	-	37.14
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	522.03	371.59	5.20	3.06	21.29	923.17
Disputed trade payable	-	-	-	-	-	-

* includes unbilled dues

(b) Trade receivables ageing schedule

(i) As at March 31, 2023

Rs. Crores

Particulars	Not due	Outstanding for following periods from due date of payment					Total*
		Less than 6 month	6 month -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables							
- considered good	468.95	274.94	74.24	14.59	10.39	2.23	845.34
- credit impaired	-	0.32	0.45	1.59	3.55	39.98	45.89
(ii) Disputed Trade Receivables							
- considered good	-	0.04	0.05	0.70	0.22	1.86	2.87
- credit impaired	-	-	0.04	1.81	0.32	15.37	17.54
(iii) Unbilled revenue							20.70
Less: Provision for credit impaired receivables							(63.43)
Total							868.91

* Also refer note number 29

(ii) As at March 31, 2022

Rs. Crores

Particulars	Not due	Outstanding for following periods from due date of payment					Total*
		Less than 6 month	6 month -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables							
- considered good	157.29	525.56	147.84	52.86	2.13	3.64	889.32
- credit impaired	-	0.15	0.87	3.03	15.44	45.70	65.19
(ii) Disputed Trade Receivables							
- considered good	0.14	0.24	0.27	0.35	0.24	0.11	1.35
- credit impaired	-	0.42	0.13	0.40	2.13	8.22	11.30
(iii) Unbilled revenue							16.08
Less: Provision for credit impaired receivables							(76.49)
Total							906.75

* Also refer note number 29

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

57. Statement containing salient features, pursuant to Schedule III of the Companies Act 2013, of subsidiaries and joint ventures as per standalone financial statements of each entity for:

(i) financial year ended March 31, 20223

Rs. Crores

Name of the entity in the Group	Country of incorporation	% of voting power	Net Assets (before adjustment of intercompany eliminations)		Share in Profit/(loss) (before adjustment of intercompany eliminations)		Share in other comprehensive income (before adjustment of intercompany eliminations)		Share in total comprehensive income (before adjustment of intercompany eliminations)	
			As % of consolidated net assets	Amount (Rs. Crores)	As % of consolidated profit/(loss)	Amount (Rs. Crores)	As % of consolidated other comprehensive income	Amount (Rs. Crores)	As % of consolidated total comprehensive income	Amount (Rs. Crores)
Parent										
DCM Shriram Limited			101.21%	6,268.53	105.56%	961.49	98.75%	12.59	105.47%	974.08
Subsidiaries										
Indian										
DCM Shriram Credit and Investments Limited	India	100%	0.05%	2.93	(0.27%)	(2.47)	1.94%	0.25	(0.24%)	(2.22)
Bioseed India Limited	India	100%	0.00%	0.03	0.00%	(0.00)	-	-	(0.00%)	(0.00)
DCM Shriram Infrastructure Limited	India	100%	(0.52%)	(32.24)	(0.01%)	(0.09)	-	-	(0.01%)	(0.09)
Fenesta India Limited	India	100%	0.00%	0.15	0.01%	0.08	-	-	0.01%	0.08
Hariyali Rural Ventures Limited	India	100%	0.01%	0.32	0.04%	0.34	-	-	-	0.34
DCM Shriram Aqua Foods Limited	India	100%	0.08%	4.97	0.19%	1.69	-	-	0.18%	1.69
Shriram Bioseed Ventures Limited	India	100%	2.79%	172.77	2.38%	21.65	-	-	2.34%	21.65
Shriram Polytech Limited *	India	100%	0.98%	60.87	0.39%	3.56	(0.43%)	(0.06)	0.38%	3.50
DCM Shriram Ventures Limited	India	100%	0.00%	(0.00)	(0.00%)	(0.01)	-	-	(0.00%)	(0.01)
DCM Shriram ProChem Limited	India	100%	0.00%	0.01	(0.00%)	(0.00)	-	-	(0.00%)	(0.00)
DCM Shriram Bio Enchem Limited	India	100%	0.64%	39.86	(0.02%)	(0.15)	-	-	(0.02%)	(0.15)
Shriram Agsmart Limited	India	100%	0.01%	0.92	(0.01%)	(0.09)	-	-	(0.01%)	(0.09)
Foreign										
Bioseed Holdings PTE Limited	Singapore	100%	1.03%	63.58	(0.61%)	(5.58)	-	-	(0.60%)	(5.58)
Bioseed Research Philippines Inc.	Philippines	100%	1.03%	63.97	0.95%	8.65	1.61%	0.21	0.96%	8.86
Bioseed Research USA Inc.	USA	100%	0.00%	0.15	(0.01%)	(0.05)	-	-	(0.52%)	(0.05)
Total				6,646.82		989.02		12.99		1,002.01
Add/(less): consolidation adjustments				(453.07)		(78.18)		(0.24)		(78.42)
Total after consolidation adjustments				6,193.75		910.84		12.75		923.59

* Refer note 41

(ii) financial year ended March 31, 2022

Rs. Crores

Name of the entity in the Group	Country of incorporation	% of voting power	Net Assets (before adjustment of intercompany eliminations)		Share in Profit/(loss) (before adjustment of intercompany eliminations)		Share in other comprehensive income (before adjustment of intercompany eliminations)		Share in total comprehensive income (before adjustment of intercompany eliminations)	
			As % of consolidated net assets	Amount (Rs. Crores)	As % of consolidated profit/(loss)	Amount (Rs. Crores)	As % of consolidated other comprehensive income	Amount (Rs. Crores)	As % of consolidated total comprehensive income	Amount (Rs. Crores)
Parent										
DCM Shriram Limited			100.44%	5,526.09	98.26%	1,048.75	82.45%	(8.41)	98.41%	1,040.34
Subsidiaries										
Indian										
DCM Shriram Credit and Investments Limited	India	100%	0.09%	5.15	0.02%	0.21	(2.55%)	0.26	0.04%	0.47
Bioseed India Limited	India	100%	0.00%	0.03	0.00%	(0.01)	-	-	(0.00%)	(0.01)
DCM Shriram Infrastructure Limited	India	100%	(0.58%)	(32.15)	(0.01%)	(0.09)	-	-	(0.01%)	(0.09)
Fenesta India Limited	India	100%	0.00%	0.07	0.00%	0.02	0.00%	-	0.00%	0.02
Hariyali Rural Ventures Limited	India	100%	(0.00%)	(0.02)	0.00%	-	-	-	0.00%	-
DCM Shriram Aqua Foods Limited	India	100%	0.06%	3.29	0.00%	(0.02)	-	-	0.00%	(0.02)
Shriram Bioseed Ventures Limited	India	100%	(0.75%)	(41.38)	(0.51%)	(5.47)	-	-	(0.52%)	(5.47)
Shriram Polytech Limited *			1.04%	57.37	0.23%	2.49	(0.88%)	0.09	0.24%	2.58
Foreign										
Bioseed Holdings PTE Limited	Singapore	100%	(2.68%)	(147.71)	(0.90%)	(9.65)	-	-	(0.91%)	(9.65)
Bioseed Research Philippines Inc.	Philippines	100%	0.96%	52.97	1.84%	19.66	1.57%	(0.16)	1.84%	19.50
Bioseed Research USA Inc.	USA	100%	0.00%	-	(0.00%)	(0.02)	-	-	(0.19%)	(0.02)
Joint Venture (Indian)										
Shriram Axiall Private Limited *	India	50%	0.00%	-	0.11%	1.22	0.00%	-	0.12%	1.22
Total				5,423.71		1,057.09		(8.22)		1,048.87
Add/(less): consolidation adjustments				78.09		10.26		(1.98)		8.28
Total after consolidation adjustments				5,501.80		1,067.35		(10.20)		1,057.15

** Refer note 41

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2023

58. Disclosure of transactions with struck off companies

Balance outstanding and nature of transactions with struck off companies as per Section 248 of the Companies Act 2013 :-

Rs. Crores

Balance sheet (extract)	Current year classification	Previous year classification	Balance outstanding	
			As at 31.03.2023	As at 31.03.2022
PAS Security Services Private Limited	Payable	N.A.	-	0.01
Naveli Decor Private Limited	Payable	N.A.	0.83	0.61
Prakashraj Realestate Developers Private Limited	Payable	N.A.	0.01	-

59. Particulars of sales of products

Rs. Crores

Description	Sales	
	2022-23	2021-22
Urea	1,984.01	1,324.86
PVC resins	552.92	909.77
Caustic soda	3,116.01	2,174.54
Calcium carbide	207.71	197.15
Seeds	1,049.97	920.21
Cement	171.22	174.24
Sugar	2,027.59	1,612.06
Ethanol	705.50	677.28
Windows and doors	687.67	522.55
Power Sale	92.89	95.62
Petrol / Diesel	147.55	164.92
Other	1,393.81	1,134.03
Less : Inter segment revenue	(124.99)	(112.20)
Total	12,011.86	9,795.03

For and on behalf of the Board of Directors

Sameet Gambhir
Company Secretary
Place: New Delhi
Date : May 02, 2023

Amit Agarwal
Chief Financial Officer
Place: New Delhi

Pradeep Dinodia
Director
DIN: 00027995
Place: New Delhi

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137
Place: New Delhi

Notice

Notice is hereby given that the Thirty-fourth (34th) Annual General Meeting (AGM) of the Members of DCM Shriram Ltd. ("the Company") will be held on Tuesday, the 25th July, 2023 at 10:30 A.M. through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") without the physical presence of Members at a common venue, to transact the following business:

Ordinary Business:

1. To consider and adopt:
 - (a) the audited standalone financial statements of the Company for the financial year ended 31st March 2023, the reports of the Board of Directors and Auditors thereon; and
 - (b) the audited consolidated financial statements of the Company for the financial year ended 31st March 2023 and the report of the Auditors thereon.
2. To declare a final dividend of Rs. 3.60 per equity share of face value of Rs. 2 each and to note the payment of interim dividends aggregating to Rs. 10.40 per equity share of face value of Rs. 2 each already paid during financial year 2022-23.
3. To appoint a Director in place of Mr. Ajit S. Shriram (DIN: 00027918), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. K. K. Sharma (DIN: 07951296), who retires by rotation and being eligible, offers himself for re-appointment.

Special Business:

5. To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and any other applicable law, the total remuneration of Rs. 4.35 lakh plus applicable taxes and out of pocket expenses, if any, payable/paid to M/s J.P. Sarda & Associates, Cost Accountants, Kota (FRN: 000289) and M/s Yogesh Gupta & Associates, Cost Accountants, New Delhi (FRN: 000373), the Cost Auditors appointed by the Board of Directors of the Company to conduct the audit of the cost accounting records of the Company for the financial year 2022-23, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors or Committee thereof or its other delegate be and are hereby authorized to do all such acts, deeds and things as may be deemed appropriate in this connection."
6. To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 (the 'Act') and the Rules made thereunder read with Schedule V of the Act (including any statutory modification or re-enactment thereof) Regulation 17(1C) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or any other applicable laws (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force), if any and subject to such consents and permissions, as may be necessary, consent of the Members be and is hereby accorded to the re-appointment of Mr. Ajay S. Shriram (DIN: 00027137), Chairman and Senior Managing Director on the terms and conditions including the remuneration as set out hereunder:

Terms & Conditions of appointment

1. **Tenure:-** Five years w.e.f. 1st November 2023
2. **Remuneration**
 - (a) **Salary:-** Rs.32.30 Lakhs per month presently. Increments will be as decided by the Board and/or Committee thereof from time to time.
 - (b) **Perquisites:-** Perquisites (evaluated as per Income Tax Rules, wherever applicable, and at actual cost to the Company in other cases) including Leased & Company maintained furnished accommodation or house rent in lieu thereof, gas, electricity, water, furnishings, club fees, personal accident insurance, use of Company's car with driver & other expenses, telephone at residence, medical reimbursement, leave and leave travel concession, education benefits and any other benefits provided to the employee(s) of the Company from time to time, including but not limited to entitlements on account of any subsisting or future long term cash incentives/rewards, provident fund, superannuation fund and gratuity in accordance with the scheme(s) and Rule(s) applicable to the members of the staff of the Company from time to time, in respect of any of such benefits.
 - (c) **Commission on net profits:-** Such amount as may be decided by the Board of Directors or a Committee thereof from year to year.
 - (d) **Remuneration for a part of the Year:-** Remuneration for a part of the year shall be computed on pro-rata basis.
 - (e) **Minimum Remuneration:-** In the event of absence or inadequacy of profits in any financial year, the aforementioned remuneration shall be paid to Chairman and Senior Managing Director as the minimum remuneration, subject to the provisions of the Companies Act, 2013 and/or any other applicable statutory provisions.
3. **Functions:-** Subject to the direction, control and superintendence of the Board of Directors, Mr. Ajay S. Shriram, shall have the overall responsibility for looking after the day-to-day business and affairs of the Company.

4. **Sitting Fee:-** If permissible by law, he shall be entitled to sitting fee in addition to the components of remuneration mentioned above for attending meeting(s) of the Board of Directors or Committees thereof.

5. **Termination:-** The appointment of Mr. Ajay S. Shriram may be terminated by either party giving to the other six calendar months' notice in writing.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof be and is hereby authorised to vary or modify any of the above terms & conditions including as to change in designation/role, alter, vary or increase the remuneration, notwithstanding the same shall exceed the overall remuneration set out above or as may be prescribed/permissible under the Companies Act, 2013 and Rules made thereunder or any other applicable statutory provisions then subsisting, without requiring any further resolution or consent of or reference to the Members and to take all necessary steps, actions, which are incidental and consequential to give effect to the above resolution.”

7. To consider and, if thought fit, to pass the following Resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and other applicable provisions of the Companies Act, 2013 (the 'Act') and the Rules made thereunder read with Schedule V of the Act (including any statutory modification or re-enactment thereof) Regulation 17(1C) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or any other applicable laws (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force), if any and subject to such consents and permissions, as may be necessary, consent of the Members be and is hereby accorded to the re-appointment of Mr. Vikram S. Shriram (DIN: 00027187), Vice Chairman and Managing Director on the terms and conditions including the remuneration as set out hereunder:

Terms & Conditions of appointment

1. **Tenure:-** Five years w.e.f. 1st November 2023

2. Remuneration

(a) **Salary:-** Rs.32 Lakhs per month presently. Increments will be as decided by the Board and/or Committee thereof from time to time.

(b) **Perquisites:-** Perquisites (evaluated as per Income Tax Rules, wherever applicable, and at actual cost to the Company in other cases) including Leased & Company maintained furnished accommodation or house rent in lieu thereof, gas, electricity, water, furnishings, club fees, personal accident insurance, use of Company's car with driver & other expenses, telephone at residence, medical reimbursement, leave and leave travel concession, education benefits and any other benefits provided to the employee(s) of the Company from time to time, including but not limited to entitlements on account of any subsisting or future long term cash incentives/rewards, provident fund, superannuation fund and gratuity in accordance with the scheme(s) and Rule(s) applicable to the members of the staff of the Company from time to time, in respect of any of such benefits.

(c) **Commission on net profits:-** Such amount as may be decided by the Board of Directors or a Committee thereof from year to year .

(d) **Remuneration for a part of the Year:-** Remuneration for a part of the year shall be computed on pro-rata basis.

(e) **Minimum Remuneration:-** In the event of absence or inadequacy of profits in any financial year, the aforementioned remuneration shall be paid to Vice Chairman and Managing Director as the minimum remuneration, subject to the provisions of the Companies Act, 2013 and/or any other applicable statutory provisions.

3. **Functions:-** Mr. Vikram S. Shriram shall discharge such duties and functions, as may be assigned to him by the Chairman and Senior Managing Director of the Company and/or the Board from time to time.

4. **Sitting Fee:-** If permissible by law, he shall be entitled to sitting fee in addition to the components of remuneration mentioned above for attending meeting(s) of the Board of Directors or Committees thereof.

5. **Termination:-** The appointment of Mr. Vikram S. Shriram may be terminated by either party giving to the other six calendar months' notice in writing.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof be and is hereby authorised to vary or modify any of the above terms & conditions including as to change in designation/role, alter, vary or increase the remuneration, notwithstanding the same shall exceed the overall remuneration set out above or as may be prescribed/permissible under the Companies Act, 2013 and Rules made thereunder or any other applicable statutory provisions then subsisting, without requiring any further resolution or consent of or reference to the Members and to take all necessary steps, actions, which are incidental and consequential to give effect to the above resolution.”

8. To consider and, if thought fit, to pass, the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to Sections 152, 160 and other applicable provisions of the Companies Act, 2013 (the "Act") and Rules made thereunder, Regulation 17(1C) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or any other applicable laws (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Aditya A. Shriram (DIN: 10157483), who was appointed by the Board of Directors as Additional Director of the Company with effect from 2nd July 2023, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

9. To consider and, if thought fit, to pass, the following Resolution as a Special Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197 and any other applicable provisions of the Act and the Rules made thereunder read with Schedule V of the Act (including any statutory modification or re-enactment thereof) Regulation 17(1C) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and/or any other applicable laws (including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force) and subject to such other consent(s), approval(s) or permission(s), as may be necessary, the consent of the Members be and is hereby accorded to the appointment of Mr. Aditya A. Shriram (DIN : 10157483) as Deputy Managing Director on the terms and conditions including the remuneration as set out hereunder:

Terms & Conditions of appointment

1. **Tenure:-** Five years w.e.f. 2nd July 2023

2. **Remuneration:**

(a) **Salary:-** Rs.7.75 Lakhs per month. Increments will be as decided by the Board and/or Committee thereof from time to time.

(b) **Perquisites:-** Perquisites (evaluated as per Income Tax Rules, wherever applicable, and at actual cost to the Company in other cases) including Leased & Company maintained furnished accommodation or house rent in lieu thereof, gas, electricity, water, furnishings, club fees, personal accident insurance, use of Company's car with driver & other expenses, telephone at residence, medical reimbursement, leave and leave travel concession, education benefits and any other benefits provided to the employee(s) of the Company from time to time, including but not limited to entitlements on account of any subsisting or future long term cash incentives/rewards, provident fund, superannuation fund and gratuity in accordance with the scheme(s) and Rule(s) applicable to the members of the staff of the Company from time to time, in respect of any of such benefits.

(c) **Commission on net profits:-** Such amount as may be decided by the Board of Directors or a Committee thereof from year to year.

(d) **Remuneration for a part of the Year:-** Remuneration for a part of the year shall be computed on pro-rata basis.

(e) **Minimum Remuneration:-** In the event of absence or inadequacy of profits in any financial year, the aforementioned remuneration shall be paid to Deputy Managing Director as the minimum remuneration, subject to the provisions of the Companies Act, 2013 and/or any other applicable statutory provisions.

3. **Functions:-** Mr. Aditya A. Shriram shall discharge such duties and functions as may be assigned to him by the Chairman & Senior Managing Director, Vice Chairman & Managing Director and Joint Managing Director from time to time.

4. **Sitting Fee:-** If permissible by law, he shall be entitled to sitting fee in addition to the components of remuneration mentioned above for attending meeting(s) of the Board of Directors or Committees thereof.

5. **Termination:-** The appointment of Mr. Aditya A. Shriram may be terminated by either party giving to the other 6 calendar months' notice in writing.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof be and is hereby authorised to vary or modify any of the above terms & conditions including as to change in designation/role, alter, vary or increase the remuneration, notwithstanding the same shall exceed the overall remuneration set out above or as may be prescribed/permissible under the Companies Act, 2013 and Rules made thereunder or any other applicable statutory provisions then subsisting, without requiring any further resolution or consent of or reference to the Members and to take all necessary steps, actions, which are incidental and consequential to give effect to the above resolution.”

10. To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013 and Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the consent of the Members be and is hereby accorded for the revision in the maximum limit of remuneration of Mr. Aditya A. Shriram, a relative of Mr. Ajay S. Shriram, Chairman and Senior Managing Director of the Company, up-to Rs.23 lakhs per month including salary, perquisites (evaluated as per Income Tax Rules, wherever applicable, and at actual cost to the Company in other cases), ex-gratia/rewards and all other benefits as applicable to officers in his cadre, for the period from 1st April 2023 to 1st July 2023.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof or its other delegate, be and are hereby authorised to take all necessary steps and actions, which are incidental and consequential to give effect to the above Resolution.”

By Order of the Board

Place : New Delhi

Date : 10th May 2023

Sameet Gambhir

Company Secretary

Membership No.: F4658

Notes:

1. Pursuant to the Circular No. 14/2020 dated 8th April 2020, Circular No.17/2020 dated 13th April 2020, Circular No. 20/2020 dated 5th May 2020 and other relevant circulars read with General Circular No. 10/2022 dated 28th December 2022 issued by the Ministry of Corporate Affairs, Government of India (MCA), the 34th AGM is being held through video conferencing (VC) or other audio visual means (OAVM). Hence, the Members are requested to attend and participate in the AGM through VC/OAVM. The deemed venue for this 34th AGM shall be the Registered Office of the Company.
2. In compliance with the aforesaid MCA Circulars and SEBI Circular dated 5th January 2023, this Notice along with Explanatory Statement, inter-alia explaining the manner of attending this AGM through VC/OAVM and the instructions for electronic voting (e-voting), along with the Annual Report for FY 2022-23 is being sent only through electronic mode to those Members, whose e-mail addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report will also be available on the Company's website www.dcmshriram.com, on the websites of the stock exchanges i.e. BSE Limited and National Stock Exchange of India Ltd. at www.bseindia.com and www.nseindia.com, respectively, on the website of NSDL at www.evoting.nsdl.com and also at the website of Company's RTA at <https://www.mcsregistrars.com>. Any Member/s requiring the hard copy of Annual Report may kindly send an email from their registered email id to shares@dcmshriram.com or send a duly signed request in original at the registered office of the Company.
3. Members, who are holding shares in physical form but their e-mail addresses are not registered with the Company/RTA, are requested to register their e-mail addresses at the earliest by sending to the Company/RTA, the scanned copy of a duly signed letter by the Member(s) mentioning their name, complete address, folio number, number of shares held, along with self-attested scanned copy of the PAN Card and self-attested scanned copy of any one of the documents viz., Aadhaar Card, Driving License, Election Card, Passport, Utility Bill (not older than 3 months) or any other Government document in support of the proof of address of the Member as registered with the Company, by email to shares@dcmshriram.com and/or to admin@mcsregistrars.com, for receiving the soft copies of Annual Report for the FY 2022-23 and the Notice of 34th AGM.
However, please note that the updation/registration of email addresses on the basis of the above scanned documents will be only for the purpose of sending the soft copies of Annual Report for the FY 2022-23 and the Notice of 34th AGM and thereafter the said email addresses shall be disabled from the records of the RTA immediately after the 34th AGM, unless the hard copy of request letter along with the physical self attested copies of the aforesaid documents are received by the Company/RTA for updating the email addresses for future. Members holding shares in demat form can update their email address with their Depository Participants.
4. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the 'Act') is annexed hereto.
5. Since this AGM will be held through VC/OAVM and the physical presence of the Members has been dispensed with, the facility for appointment of Proxies by the Members is therefore not available and hence the Proxy Form and the Attendance Slip are not annexed to this Notice.
6. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. duly signed with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sanjaygrover7@gmail.com with a copy marked to shares@dcmshriram.com and evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-voting" tab in their login.
7. In terms of the notification issued by the Securities and Exchange Board of India (SEBI), Equity Shares of the Company are under compulsory demat trading by all investors w.e.f. 21st March 2000. Members are, therefore, advised to dematerialize their shareholding to avoid inconvenience of trading in the shares of the Company. Members holding equity shares of the Company in physical form, are requested to kindly get their equity shares converted into demat/electronic form, to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/issuance of equity shares in physical form have been prohibited by SEBI.
8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. Since the AGM will be held through VC/OAVM, without the physical presence of Members at a common venue, the route map is not annexed to this Notice.
10. Members may note that the Board of Directors, in its meeting held on 2nd May 2023 has recommended a final dividend of Rs. 3.60 per equity share of Rs. 2 each. The record date for the purpose of final dividend is 18th July 2023. The final dividend, if declared by the members in this AGM, will be paid within 30 days from the date of AGM, electronically through various online transfer modes to those members who have updated their bank account details. For Members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be sent out at their registered addresses.
11. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of shareholders with effect from 1st April 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. The TDS rate may vary depending on the residential status of the shareholder and the documents submitted to the Company in accordance with the provisions of the Act. Please note that the final dividend for the FY 2022-23 is subject to declaration by Members in this AGM and if declared this dividend will be taxable in the hands of shareholders in the FY 2023-24 (Assessment Year 2024-25). Thus, all the details and declarations furnished should pertain to FY 2023-24 (Assessment Year 2024-25). The rate of TDS for various categories of shareholders along with required documents are available at the website of the Company at <https://www.dcmshriram.com/Communication-of-TDS-on-Dividend.html>

12. Kindly note that the aforesaid documents, duly executed, are required to be sent either through email at shares@dcmshriram.com and admin@mcsregistrars.com or directly in original to the Company at its registered office at 2nd Floor (West Wing), Worldmark-1, Aerocity, New Delhi-110037 on or before 18th July 2023 in order to enable the Company to determine and deduct appropriate TDS/withholding tax. Members sending documents through email are required to send the original documents later to the Company at its registered office address.
13. Members holding shares in physical form, are requested to intimate their change in Bank Mandate/National Electronic Clearing Service (NECS) details (form can be downloaded from the website of the Company i.e. <https://www.dcmshriram.com/important-communication-for-shareholders>), and /or, update their PAN and Bank Account details through a request letter along with applicable forms, self attested copy of PAN, original cancelled cheque with preprinted name of the Shareholder (old and new both bank details) and bank attested copy of passbook/statement showing name of the account holder to M/s MCS Share Transfer Agent Ltd., (Company's RTA) at their address at F-65, 1st Floor, Okhla Industrial Area, New Delhi-110020. Beneficial owners holding shares in electronic form are requested to intimate their change in Bank Mandate/NECS details, if any, to their respective Depository Participants (DPs) in order to get the same registered.
14. Members who are holding shares in physical form in more than one folio are requested to write to RTA enclosing their Share Certificate(s) to enable the Company to consolidate their holding into one folio.
15. SEBI has mandated furnishing of PAN, KYC details (i.e., Postal Address with PIN Code, email address, mobile number, bank account details) and nomination details by holders of securities in physical form. Further, SEBI vide Circular No. SEBI/ HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March 2023, issued in supersession of earlier SEBI Circular nos. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated 3rd November 2021 and SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/687 dated 14th December, 2021, has mandated that any service request or complaint received from the Member will not be processed until the aforesaid details/documents are provided to RTA. Further, in case any of the above cited documents/details are not available in the Folio(s) on or after 1st October 2023, RTA shall be constrained to freeze such Folio(s).

The Company has sent individual letters to all the Members holding shares of the Company in physical form, for furnishing their PAN, KYC documents and Nomination details, as above. The aforesaid communication is also intimated to the stock exchanges and available on the website of the Company. Attention of the Members holding shares of the Company in physical form is invited to go through the said important communication under the weblink at <https://www.dcmshriram.com/sites/default/files/DCMKYCIintimation.pdf>. Relevant details and prescribed forms in this regard are available on website of the Company at <https://www.dcmshriram.com/important-communication-for-shareholders>.

16. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January 2022 has mandated the Listed Companies to issue securities in demat form only, while processing service requests such as issue of duplicate securities certificate; claim from Unclaimed Suspense Account; renewal/exchange of securities certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition. Accordingly, Members are requested to make service requests by submitting a duly filled in and signed Form ISR-4, which is available on the Company's website at <https://www.dcmshriram.com/Communication%20to%20Shareholder.pdf>
17. In view of the provisions of Section 124 and other applicable provisions of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("the Rules") as amended from time to time, the Company has, during the FY 2022-23, transferred the unpaid final dividend for the FY 2014-15 and unpaid Interim and 2nd interim dividend for the FY 2015-16 to the Investor Education and Protection Fund (IEPF). The Company has also uploaded the details of unpaid and unclaimed dividend amounts lying as on date with the Company on the website of the Company (www.dcmshriram.com). Members who have not yet encashed their Dividend Warrants/Cheques/DDs pertaining to final dividend of financial year 2015-16 onwards, are requested to write to the Company immediately as the said unclaimed dividend shall be transferred to IEPF on the date of completion of 7 years from the date of transfer of said unpaid/unclaimed dividend to the Unpaid Dividend Account by the Company. It is informed that during the FY 2022-23, 81,229 Equity Shares, in respect of which dividends of earlier years have not been paid or claimed by the Members for a period of seven consecutive years, have been transferred to the Investor Education and Protection Fund (IEPF) Authority.
18. The above details have also been uploaded on the website of the IEPF authority i.e. www.iepf.gov.in. Members may also note that dividend as well as shares transferred to IEPF Authority can be claimed back as per the prescribed procedure.
19. In terms of Section 72 of the Companies Act, 2013 and related Rules thereunder, Member(s) of the Company may nominate a person to whom the Shares held by him/her shall vest in the event of his/her death. Member(s) desirous of availing this facility may submit nomination in the prescribed Form SH-13 to the Company/RTA in case shares are held in Physical form, and to their respective DPs, if held in electronic form. A copy of Form SH-13 is available at the website of the Company at https://www.dcmshriram.com/Communication_to_Shareholders_new.pdf

20. Appointment/Re-appointment of Directors

The brief resume and other information as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), in relation to the appointment/re-appointment of Directors is as follows:

Name of the Director	Mr. Ajay S. Shriram	Mr. Vikram S. Shriram	Mr. Ajit S. Shriram	Mr. K.K. Sharma	Mr. Aditya A. Shriram
DIN	00027137	00027187	00027918	07951296	10157483
Date of Birth & Age	4.3.1954 (69 Years)	6.12.1958 (64 Years)	03.10.1967 (55 Years)	17.10.1965 (57 Years)	22.02.1982 (41 Years)
Nationality	Indian	Indian	Indian	Indian	Indian
Date of first Appointment on the Board of the Company	24 th July 1989	22 nd May 1990	2 nd May 2001	20 th November 2017	2 nd July 2023 (Proposed)
Qualification	B.Com from Sydenham College Mumbai, Programme for Management Development from Harvard Business School, USA, Doctor of Letters (Honoris Causa) by BML Munjal University	B.Com (Hons.) from St. Xavier's College Kolkata, Fellow Member of The Institute of Chartered Accountants of India	B.Com., MBA from IMD Switzerland, Owner/President Management Programme (OPM) from Harvard Business School, USA	B. Tech in Chemical Technology from UDCT (now ICT, Mumbai), Diploma in Safety from RLI Kanpur, NEBOSH IGC in Occupational Health & Safety	Degree in Engineering from Cornell University, USA and MBA from London Business School
Experience	43 Years	42 Years	32 Years	33 Years	18 Years
Expertise in Functional Areas	General Management, Strategy, HR, Sugar, Fertilizer & Agri Businesses and Chloro Vinyl Business	General Management, Strategy, Finance, Agri Businesses, Sugar, B2C, Chemical and Energy Businesses	General Management, Strategy, Finance, Digital Transformationalist, Agri Businesses, Sugar and Chloro Vinyl Business	Environment Health and Safety, Sustainability Reporting, Agrochemicals and Pharmaceutical Manufacturing	General Management, Strategy, Procurement, Operations, Marketing and Chemical Business
Directorship held in other Companies	- DCM Shriram Aqua Foods Limited - Shriram Agsmart Limited - DCM Shriram Prochem Limited - DCM Shriram Bio Enchem Limited - Shriram Bioseed Ventures Limited - DCM Shriram Credit and Investments Limited - DCM Shriram Foundation - Fenesta India Limited - Hariyali Kisaan Bazaar Limited - Hariyali Rural Ventures Limited - CSEP Research Foundation	- DCM Shriram Aqua Foods Limited - Shriram Agsmart Limited - DCM Shriram Prochem Limited - DCM Shriram Bio Enchem Limited - Shriram Bioseed Ventures Limited - DCM Shriram Credit and Investments Limited - DCM Shriram Foundation - Fenesta India Limited - Hariyali Kisaan Bazaar Limited - Hariyali Rural Ventures Limited - VSS Associates Private Limited	- DCM Shriram Infrastructure Limited - Shriram Agsmart Limited - DCM Shriram Prochem Limited - DCM Shriram Bio Enchem Limited - Shriram Bioseed Ventures Limited - DCM Shriram Credit and Investments Limited - DCM Shriram Foundation - Fenesta India Limited - Hariyali Kisaan Bazaar Limited - Hariyali Rural Ventures Limited - Ajit Shriram Facilities Private Limited	- Shriram Polytech Limited - Shriram Agsmart Limited - DCM Shriram Bio Enchem Limited	-

Name of the Director	Mr. Ajay S. Shriram	Mr. Vikram S. Shriram	Mr. Ajit S. Shriram	Mr. K.K. Sharma	Mr. Aditya A. Shriram
	<ul style="list-style-type: none"> - Ajay Shriram Services Private Limited - Prabha Shridhar Facilities Private Limited - DCM Shriram Ventures Limited - SRCC Development Foundation - Shridhar Shriram Foundation - The Fertiliser Association of India 	<ul style="list-style-type: none"> - Prabha Shridhar Facilities Private Limited - DCM Shriram Ventures Limited - SRCC Development Foundation - Shridhar Shriram Foundation 	<ul style="list-style-type: none"> - SRCC Development Foundation - Shridhar Shriram Foundation - Indian Sugar Exim Corporation Ltd. 		
Directorship held in listed entities (other than DCM Shriram Ltd.)	-	-	-	-	-
Chairman/Member of the Committee(s) of the Board of Directors across all public companies	DCM Shriram Ltd. Chairman <ul style="list-style-type: none"> - Corporate Social Responsibility Committee - Board Finance Committee Member <ul style="list-style-type: none"> - Nomination, Remuneration and Compensation Committee - Stakeholders Relationship Committee 	DCM Shriram Ltd. Member <ul style="list-style-type: none"> - Corporate Social Responsibility Committee - Stakeholders Relationship Committee - Board Finance Committee 	DCM Shriram Ltd. Member <ul style="list-style-type: none"> - Corporate Social Responsibility Committee - Stakeholders Relationship Committee - Board Finance Committee 	DCM Shriram Ltd. Member <ul style="list-style-type: none"> - Risk Management Committee 	-
Names of Listed Companies in which Director resigned in past 3 years.	-	-	-	-	-
Number of shares held in the Company	4,93,780 Equity Shares	5,03,310 Equity Shares	5,95,580 Equity Shares	NIL	2,97,760 Equity Shares
Last Drawn Remuneration (per annum)	Rs. 1,360.43 Lakhs	Rs. 1,365.62 Lakhs	Rs. 1,244.82 Lakhs	Rs. 127.39 Lakhs	Rs. 223.93 Lakhs
Number of Board Meetings attended during the year	5/6	6/6	6/6	6/6	Not Applicable

Name of the Director	Mr. Ajay S. Shriram	Mr. Vikram S. Shriram	Mr. Ajit S. Shriram	Mr. K.K. Sharma	Mr. Aditya A. Shriram
Relationship with other Directors, Manager and other Key Managerial Personnel	Brother of Mr. Vikram S. Shriram & Mr. Ajit S. Shriram. Father of Mr. Aditya A. Shriram	Brother of Mr. Ajay S. Shriram and Mr. Ajit S. Shriram	Brother of Mr. Ajay S. Shriram and Mr. Vikram S. Shriram	NIL	Son of Mr. Ajay S. Shriram
Terms and Conditions of Appointment/Reappointment and remuneration sought to be paid	The terms and conditions of reappointment including remuneration are given in the proposed resolution and explanatory statement of this Notice.	The terms and conditions of reappointment including remuneration are given in the proposed resolution and explanatory statement of this Notice.	Re-appointment consequent to retirement by rotation.	Re-appointment consequent to retirement by rotation.	The terms and conditions of appointment including remuneration are given in the proposed resolution and explanatory statement of this Notice.

21. In case of joint members attending the AGM, only such joint holder who is higher in the order of names will be entitled to e-vote.
22. Relevant documents referred to in the Annual Report including AGM Notice and Explanatory Statement are available for inspection through electronic mode, basis the request being sent on shares@dcmshriram.com.
23. Members seeking any information with regard to the accounts or any other matter to be placed at the AGM, are requested to write to the Company either through email at shares@dcmshriram.com, or submit written request at the registered office of the Company latest by 18th July 2023. Such questions shall be taken up during the meeting or replied within 7 days from the date of AGM by the Company suitably.
24. Members who like to express their views or ask questions during the AGM may register themselves as speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/Folio no, No. of shares, PAN, mobile number at shares@dcmshriram.com on or before 18th July 2023. Those Members, who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers as well as the speaking time, depending upon the availability of time at the AGM.
25. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned hereinafter. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first-come-first-serve basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors and the Chairperson of the Audit Committee, Nomination, Remuneration and Compensation Committee and Stakeholders Relationship Committee, who are allowed to attend the AGM without restriction on account of first-come-first-serve basis.
26. During the AGM, Members may access the scanned copy of (i) Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act; (ii) the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act; (iii) certificate by the Secretarial Auditors of the Company on the implementation of the DCM Shriram Employee Stock Purchase Scheme as required under the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, and (iv) any other documents as may be required, upon Log-in to NSDL e-voting system at <https://www.evoting.nsdl.com> under the heading "AGM Docs".
27. Instructions for e-voting and joining the AGM are as follows:
- A. Voting through electronic means**
- In compliance with provisions of Section 108 of the Companies Act, 2013 ("the Act") read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to the Members to cast their votes, on the Resolutions proposed to be considered at AGM, by electronic voting system from a place other than venue of the AGM ("remote-voting") arranged by National Securities Depository Limited (NSDL).
 - The remote e-voting period shall commence on 22nd July 2023 (9.00 A.M.) and end on 24th July 2023 (5.00 P.M.). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 18th July 2023, may cast their vote by remote e-voting. The said remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently.






- III. Those Members who will be attending/participating in the AGM through VC/OAVM facility and have not cast their vote(s) on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- IV. The Members who have cast their vote by remote e-voting prior to the AGM may also attend and participate in the AGM through VC/OAVM, but shall not be entitled to cast their e-vote again.
- V. Mr. Kapil Dev Taneja (M. No.: F4019, CP No. 22944), Partner, M/s. Sanjay Grover & Associates, Company Secretaries failing him, Mr. Neeraj Arora (M. No.: F10781, CP No. 16186), Partner, M/s. Sanjay Grover & Associates, Company Secretaries has been appointed as Scrutinizer to scrutinize the e-voting during the AGM and remote e-voting process in a fair and transparent manner.
- VI. The manner and process of remote e-Voting are as under:

Step 1: Access to NSDL e-voting system

A) Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated 9th December 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-voting services under Value added services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be re-directed to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center; margin-top: 10px;">  <p>NSDL Mobile App is available on</p> <p> App Store  Google Play</p> <p> </p> </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then use your existing Myeasi username & password. After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting. Additionally, there are also links provided to access the system of all e-voting Service Providers, so that the user can visit the e-voting service providers' website directly. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com. Click on login & New System Myeasi Tab and then click on registration option. Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from e-voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-voting option where the evoting is in progress and also be able to directly access the system of all e-voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. Upon logging in, you will be able to see e-voting option. Click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-voting service provider i.e. NSDL and you will be redirected to e-voting website of NSDL for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forgot User ID and Forgot Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk. evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. iDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing iDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.

Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will prompt you to change your password.
- How to retrieve your 'initial password'?
 - If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- "**Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join AGM on NSDL e-voting system.

How to cast your vote electronically and join AGM on NSDL e-voting system?

- After successful login at Step 1, you will be able to see all the companies' "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
- Select "EVEN" of DCM Shriram Ltd. for which you wish to cast your vote during the remote e-voting period or casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
- Now you are ready for e-voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
- Upon confirmation, the message "Vote cast successfully" will be displayed.
- You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
- Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. duly signed with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sanjaygrover7@gmail.com with a copy marked to shares@dcmshriram.com and evoting@nsdl.co.in. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting user manual for Members available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.co.in or contact Mr. Amarjit from RTA at 011-41406148 (E-mail: admin@mcsregistrars.com) or Mr. Amit Mehra / Mr. Vipul Jain from the Company at 011-42100200 (E-mail: shares@dcmshriram.com). If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on or contact NSDL at 022 - 4886 7000 and 022 - 2499 7000. The Individual Shareholders holding securities in demat mode, may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-voting system".
4. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
5. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 18th July 2023.
6. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 18th July 2023, may obtain the login ID and password by sending a request to Registrar and Transfer Agent (RTA) of the Company. The Individual Shareholders holding securities in demat mode, may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-voting system".
7. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or e-voting at the AGM and a person who is not a Member as on the cut-off date i.e. 18th July 2023, should treat this Notice for information purposes only.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e-mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to shares@dcmshriram.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to shares@dcmshriram.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively, Members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:

1. The procedure for e-voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
3. Members who have voted through remote e-voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-voting on the day of the AGM shall be the same person mentioned for remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for **Access to NSDL e-voting system**. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in

Shareholder/ Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in the Notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore, recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

E-VOTING RESULT

1. The Scrutinizer shall after the conclusion of e-voting at the AGM, unblock the votes cast through remote e-voting and e-votes cast during AGM in the presence of at least two witness not in the employment of the Company and shall make a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
2. The Results declared along with the report of the Scrutinizer will be placed on the website of the Company www.dcmshriram.com and on the website of NSDL at <https://www.evoting.nsdl.com> immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results will also be immediately submitted to the BSE Limited and The National Stock Exchange of India Ltd.

OTHER INSTRUCTIONS

Please note that:

- Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.
- Your login ID and password can be used by you exclusively for e-voting on the Resolutions placed by the companies in which you are the Shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

ITEM NO. 5

The Board of Directors (the "Board"), on the recommendation of the Audit Committee, had approved the appointment of M/s J.P. Sarda & Associates, Cost Accountants, Kota (FRN: 000289) and M/s Yogesh Gupta & Associates, Cost Accountants, New Delhi (FRN: 000373) to audit the cost accounting records of the Company for the FY 2022-23 at a total remuneration of upto Rs.4.35 Lakhs, plus applicable taxes and out of pocket expenses, if any.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable/paid to the Cost Auditors is required to be ratified by the Members of the Company. It is informed that out of Rs.4.35 lakhs, remuneration of M/s J.P. Sarda & Associates is Rs. 3.15 lakhs and M/s Yogesh Gupta & Associates is Rs. 1.20 lakhs.

Accordingly, ratification of the Members is sought for the remuneration payable/paid to the Cost Auditors for the financial year 2022-23.

The Board recommends passing of the resolution set out at Item No.5 of the Notice as an Ordinary Resolution.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

ITEM NO. 6

Mr. Ajay S. Shriram was appointed as Managing Director of the Company in 1990. He was re-designated by the Board as Vice Chairman & Managing Director with effect from 15th April 1993. He was further re-designated by the Board as Chairman & Senior Managing Director with effect from 24th September 2001. The existing tenure of Mr. Ajay S. Shriram as effective from 1st November 2018 and as approved by the Members in their 29th Annual General Meeting held on 31st July 2018, is expiring on 31st October 2023.

Mr. Ajay S. Shriram graduated in Commerce from Sydenham College, University of Mumbai and later attended the Programme for Management Development at the Harvard Business School, USA. He has been conferred with Degree of Doctor of Letters (Honoris Causa) by BML Munjal University, Gurgaon (Haryana). He is the Chairman of the Governing Body of Shri Ram College of Commerce (SRCC) and Chairman of the Board of Governors of Indian Institute of Management (IIM), Sirmaur (HP). He is a member of the Board of CSEP (Centre for Social and Economic Progress). He is Emeritus Director of The Fertilizer Association of India. He is a Member of India-Japan Business Leaders' Forum (IJBLF), DPIIT, Ministry of Commerce and Industry. He is a Member of Uttar Pradesh State Investment Promotion Board. He was a Member of the Board of Governors of Indian Institute of Corporate Affairs (IICA). He has been the President of Confederation of Indian Industry (CII) (2014-15) and the President & Chairman of International Fertilizer Industry Association (IFA), Paris (2009-11).

Mr. Ajay S. Shriram has over 43 years of rich experience and his expertise includes areas of General Management, Strategy, HR, Sugar, Fertilizer, Agri Businesses and Chloro-Vinyl businesses. He has overall responsibility of looking after the day-to-day business and affairs of the Company and he is supported by other MDs. It is under the stewardship of Mr. Ajay S. Shriram since the beginning, that the Company has achieved all-round growth and made for itself a reputation in the core areas of its businesses.

In view of the rich experience and able leadership of Mr. Ajay S. Shriram and his crucial role in steering ahead the Company, it is proposed to re-appoint Mr. Ajay S. Shriram as Chairman and Senior Managing Director, for a further period of 5 years with effect from 1st November 2023. It is informed that Mr. Ajay S. Shriram shall attain the age of 70 years on 4th March 2024. The Board of Directors at its meeting held on 2nd May 2023, on recommendation of the Nomination, Remuneration and Compensation Committee, has approved his proposed re-appointment for a further period of 5 years w.e.f. 1st November 2023, on the terms & conditions including remuneration, as set out at Item No. 6 of the Notice.

Mr. Ajay S. Shriram is not disqualified from being appointed as a Director in terms of Section 164 of the Act or by SEBI or any other authority. Other necessary details of Mr. Ajay S. Shriram, as required under Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, are covered in the Notes. Further, this is also in compliance of Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board recommends passing of the resolution set out at Item No.6 of the Notice as a Special Resolution.

Except Mr. Ajay S. Shriram and his relatives, no other Director/Key Managerial Personnel or their relative(s) is concerned or interested in the said resolution.

ITEM NO. 7

Mr. Vikram S. Shriram was appointed as Dy. Managing Director of the Company in 1990. He was re-designated by the Board as Jt. Managing Director with effect from 15th April 1993. He was further re-designated as Vice Chairman & Managing Director with effect from 24th September 2001. The existing tenure of Mr. Vikram S. Shriram as effective from 1st November 2018 and as approved by the Members in their 29th Annual General Meeting held on 31st July 2018, is expiring on 31st October 2023.

Mr. Vikram S. Shriram graduated in Commerce with Honours from St. Xavier's College, Kolkata. He is a Fellow Member of The Institute of Chartered Accountants of India. He has over 42 years of rich experience and his expertise includes areas of General Management, Strategy, Finance, Agri Businesses, Sugar, B2C, Chemical and Energy businesses. Mr. Vikram S. Shriram discharges such duties and functions, as may be assigned to him by the Chairman and Senior Managing Director of the Company and/or the Board from time to time.

The all-round contribution of Mr. Vikram S. Shriram to the Company in all these years has been outstanding. During his working, he has displayed true leadership in providing the much needed strategic planning and broader financial focus to the Company.

In view of the critical role played by Mr. Vikram S. Shriram in the business strategy and managing the affairs of the Company, it is proposed to re-appoint Mr. Vikram S. Shriram as Vice Chairman and Managing Director, for a further period of 5 years with effect from 1st November 2023. The Board of Directors at its meeting held on 2nd May 2023, on recommendation of Nomination, Remuneration and Compensation Committee, has approved his proposed re-appointment for a further period of 5 years w.e.f. 1st November 2023, on the terms & conditions including remuneration, as set out at Item No. 7 of the Notice.

Mr. Vikram S. Shriram is not disqualified from being appointed as a Director in terms of Section 164 of the Act or by SEBI or any other authority. Other necessary details of Mr. Vikram S. Shriram, as required under Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, are covered in the Notes. Further, this is also in compliance of Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board recommends passing of the resolution set out at Item No.7 of the Notice as a Special Resolution.

Except Mr. Vikram S. Shriram and his relatives, no other Director/Key Managerial Personnel or their relative(s) is concerned or interested in the said resolution.

ITEM NOS. 8 & 9

Mr. Aditya A. Shriram joined the organization in 2006 and has successfully handled a variety of responsibilities across businesses and units of the Company in all these years. With degree in Engineering from Cornell University, USA and experience as a derivatives trader in Amsterdam, he returned to India in 2005, to begin learning about his family business, DCM Shriram, at the grassroots level at the Company's cement factory in Kota, Rajasthan.

Gradually taking on responsibilities in functional areas such as procurement, operations and marketing, he introduced innovative methods in dealing with everyday issues. He was associated with the Company's Shriram Farm Solutions Business, where he led the Crop Care and Seeds business and made a significant impact. Thereafter, he went on study leave for 2 years to do MBA from London Business School and joined back the organization in August, 2014.

Presently he is working with the Company as Sector Advisor & Executive Director for Chemicals Business of the Company. His primary responsibility includes providing impetus to the growth and strengthening of business. He has been actively involved in brownfield expansion in Gujarat and is currently developing a strategic roadmap for the businesses. Under his leadership, the Company has become one of the leading Chemical manufacturers in India and is entering into value-added products as a forward integration. His continued association is considered to be beneficial to the Company.

The Board of Directors at its meeting held on 2nd May 2023, on recommendation of the Nomination, Remuneration and Compensation Committee, has approved the appointment of Mr. Aditya A. Shriram as an Additional Director of the Company w.e.f. 2nd July 2023, who shall hold office upto the date of ensuing AGM. Accordingly, proposal for his appointment as a Director of the Company liable to retire by rotation, is placed for approval of the Members by way of an Ordinary Resolution, as set out at Item no. 8 of the Notice.

Further, considering his contribution as mentioned above and the significant role played by him in the Company in the last 18 years, and subject to approval of Members to his appointment as a Director on the Board, as set out at Item no. 8 of the Notice, the Board of Directors, on recommendation of the Nomination, Remuneration and Compensation Committee, has also approved his appointment as Deputy Managing Director of the Company for a period of 5 years w.e.f. 2nd July 2023, subject to approval of the Members. Accordingly, proposal for his appointment as Deputy Managing Director w.e.f. 2nd July

2023, including terms & conditions of appointment and remuneration as Deputy Managing Director, is placed for approval of the Members by way of a Special Resolution, as set out at Item no. 9 of the Notice.

Mr. Aditya A. Shriram is not disqualified from being appointed as a Director in terms of Section 164 of the Act or by SEBI or any other authority. Other necessary details of Mr. Aditya A. Shriram as required under Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, are covered in the Notes. Further, the proposed approvals are in compliance of Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It is also informed that as stipulated under Section 160 of the Act, the Company has received a Notice from a Member proposing the candidature of Mr. Aditya A. Shriram as Director.

The Board recommends passing of the resolution(s) set out at Item Nos. 8 & 9 of the Notice as Ordinary Resolution and Special Resolution, respectively.

Except Mr. Aditya A. Shriram and his relatives, no other Director/Key Managerial Personnel or their relative(s) is concerned or interested in the said resolution(s).

ITEM NO. 10

The Members may kindly note that the proposed appointment of Mr. Aditya A. Shriram, son of Mr. Ajay S. Shriram, as Director and Deputy Managing Director of the Company (as proposed in item nos. 8 and 9 of the Notice), will be effective from 2nd July 2023 subject to approval of members. Prior to that, he serves as an employee of the Company and therefore, remuneration payable to him in the said capacity is subject to approval of the Members, pursuant to Section 188(1)(f) of the Companies Act, 2013.

The Nomination, Remuneration and Compensation Committee, at its meeting held on 2nd May 2023, has approved increment in the remuneration of Mr. Aditya A. Shriram w.e.f. 1st April 2023, pursuant to which his maximum remuneration will be up-to Rs.23 Lakhs per month.

It may be noted that the Members, at their 29th Annual General Meeting held on 31st July 2018, had approved the maximum remuneration of Mr. Aditya A. Shriram upto Rs.20.00 Lakhs per month. Therefore, approval of the Members is sought to the increased maximum remuneration of Mr. Aditya A. Shriram, son of Mr. Ajay S. Shriram, up-to Rs.23.00 Lakhs per month, for the period served as an employee i.e., from 1st April 2023 to 1st July 2023. The Audit Committee has also approved the same.

It may be noted that remuneration payable to Mr. Aditya A. Shriram w.e.f. 2nd July 2023, is proposed to be in the capacity of Deputy Managing Director, and for the same, approval of the Members has already been sought at Item no. 9 of the Notice.

The Board recommends passing of the resolution set out at Item No. 10 of the Notice as an Ordinary Resolution.

Except Mr. Aditya A. Shriram and his relatives, no other Director/Key Managerial Personnel or their relative(s) is concerned or interested in the Resolution.

By Order of the Board

Place : New Delhi
Date : 10th May 2023

Sameet Gambhir
Company Secretary
Membership No.: F4658



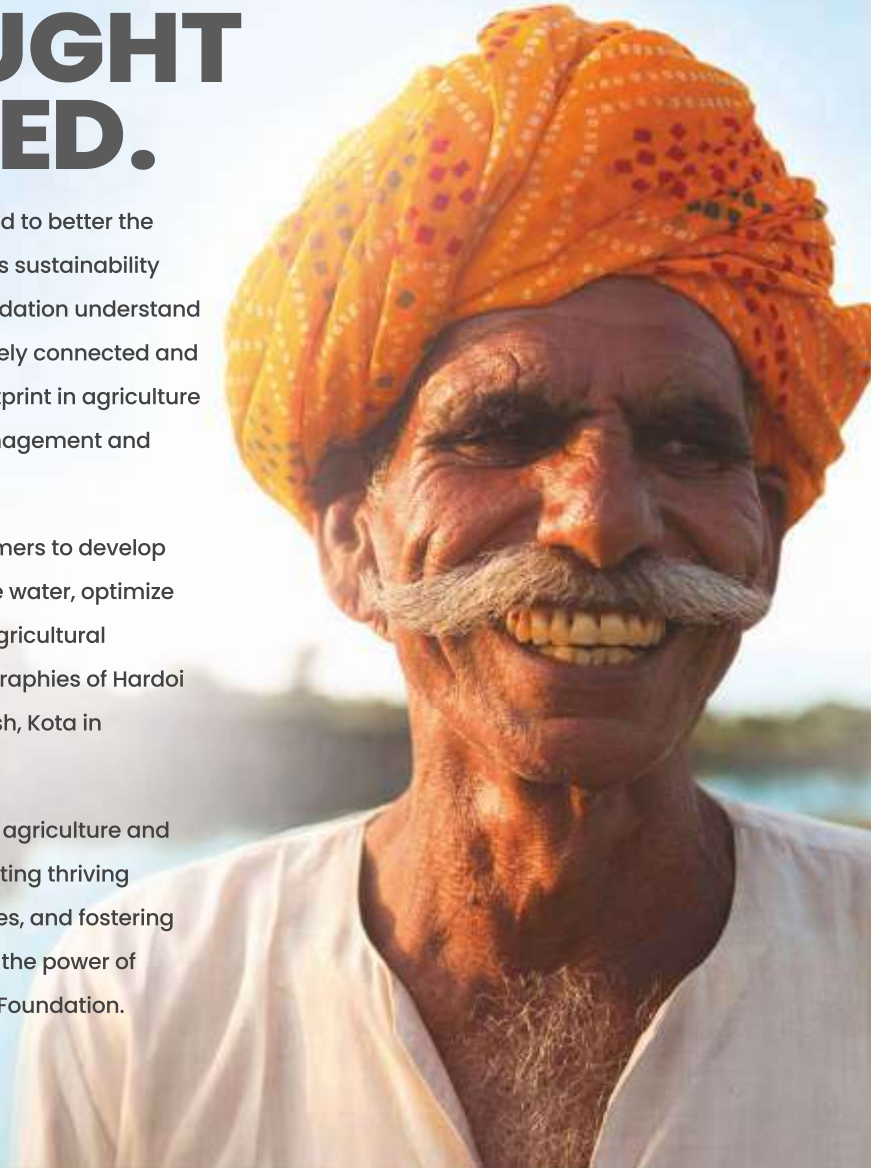
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FOUNDATION**

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We aim to support small holder farmers to develop sustainable practices that conserve water, optimize resource utilization, and enhance agricultural productivity specifically in the geographies of Hardoi and Lakhimpur Kheri in Uttar Pradesh, Kota in Rajasthan, and Bharuch in Gujarat.

Together, let us build a world where agriculture and water coexist harmoniously, supporting thriving ecosystems, nourishing communities, and fostering sustainable development. Discover the power of collective action with DCM Shriram Foundation.



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