DCM SHRIRAM
Growing with trust

DCM Shriram Ltd.

Q4 & FY16 - Results Presentation

Safe Harbour

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements. DCM Shriram Ltd. will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

All figures are consolidated unless otherwise mentioned

Table of Content

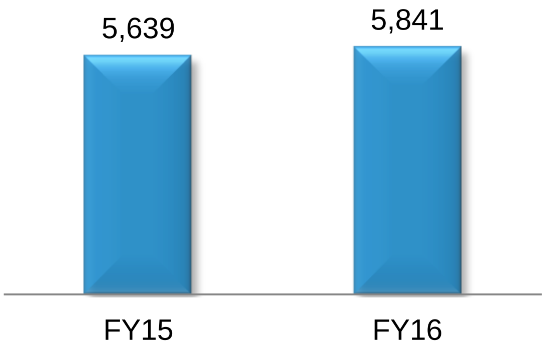
FY16 – Key Highlights

1. **Net Revenues** stable at Rs 5,841 crores (LY: Rs 5,639 crores)
2. **PBDIT** increased by 21% YoY to Rs 544 crores:
   a. Earnings of Sugar business improved as a result of :
      i. reduction in cost of production for the season 15-16 led by higher Sugar recovery (at 11.1% vs. 9.9% last season)
      ii. Firming up of sugar prices to Rs. 3031/Qtl in Q4 viz Rs. 2675/Qtl in Q3 16 and Rs.2664/Qtl in Q4 last year.
      iii. Last year there was inventory write-down of Rs. 98 crores due to negative margins

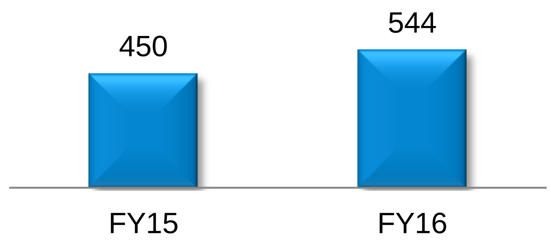
   b. Stronger earnings in the chemicals business driven by better realizations, lower input costs and better operating efficiencies. PVC prices were soft during the year. Further, additional levies on coal and power generation have raised cost of power for Chloro-vinyl businesses.
3. **Finance costs** lower at Rs 86 crores from Rs 112 crores last year
4. **PAT** increased by 41% YoY to Rs 297 crores
5. **Net Debt** as on March 31, 2016 stood at Rs. 1,057 crores vs. Rs 688 crores as on March 31, 2015. The increase is a result of ongoing Chemicals capacity expansion, higher subsidy receivables and sugar inventory
6. **Credit Rating** – Long Term credit rating upgraded to AA- from earlier A+. Short term rating affirmed at A1+ by ICRA
7. **Dividend -** Board of Directors recommended Final Dividend of 40% - Total Dividend in FY16 at 160%. Total Dividend in FY 15 at 110%.

FY16 – Financial Snapshot

Revenues



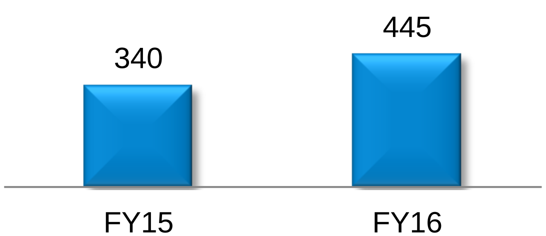
EBITDA



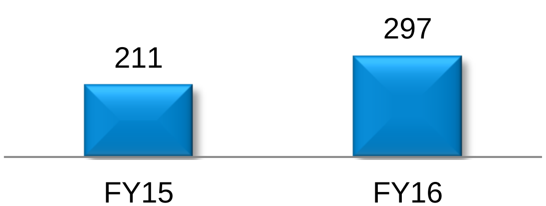
Depreciation

Finance Costs

PBIT



PAT



Note: All figures in Rs. Crore

FY16 - Segment Performance

Rs. crore

	Revenues			PBIT			PBIT Margins %	
Segments	**FY15**	**FY16**	***YoY % Change***	**FY15**	**FY16**	***YoY % Change***	**FY15**	**FY16**
Chloro Vinyl	**1,242.3**	**1,221.8**	***(1.6)***	**317.1**	**350.3**	***10.5***	***25.5***	***28.7***
Sugar	**1,037.1**	**923.8**	***(10.9)***	**(68.5)**	**87.9**	**-**	***(6.6)***	***9.5***
Agri Inputs	**2,713.1**	**3,080.9**	***13.6***	**156.7**	**112.0**	***(28.5)***	***5.8***	***3.6***
- Shriram Farm Solutions	1,416.7	1,798.3	*26.9*	87.2	72.8	*(16.4)*	*6.2*	*4.1*
- Bioseed	570.3	484.5	***(15.0)***	32.1	8.0	*(75.0)*	*5.6*	*1.7*
- Fertiliser	726.2	798.1	***9.9***	37.4	31.1	*(16.7)*	*5.1*	*3.9*
Others	**866.5**	**805.5**	***(7.0)***	(2.1)	0.4	**-**	***(0.2)***	***0.1***
Total	**5,859.0**	**6,032.1**	***3.0***	**403.2**	**550.6**	***36.6***	***6.9***	***9.1***
Less: Intersegment Revenue	**219.8**	**190.9**	***(13.2)***					
Less: Unallocable expenditure (Net)				**63.1**	**105.7**	***67.5***		
Total	**5639.2**	**5841.2**	***3.6***	**340.1**	**445.0**	***30.8***	***6.0***	***7.6***

Q4 FY16 – Key Highlights

1. **Net Revenues** up by 1.8% YoY to Rs 1,333 crores primarily due to higher volumes in bulk fertilizers

2. **PBDIT** increased to Rs 130 crores from Rs 33 crores in Q4 FY 15

   a. Sugar business' earnings improved to Rs. 56 crores from –ve Rs. 47 crores in Q4 FY 15

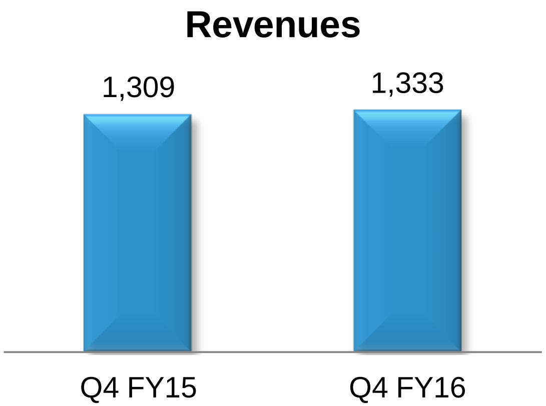
      i. Positive margins due to better sugar prices and lower cost of production led by higher sugar recoveries. Further last year there was inventory write-down of Rs. 71 crore during the quarter

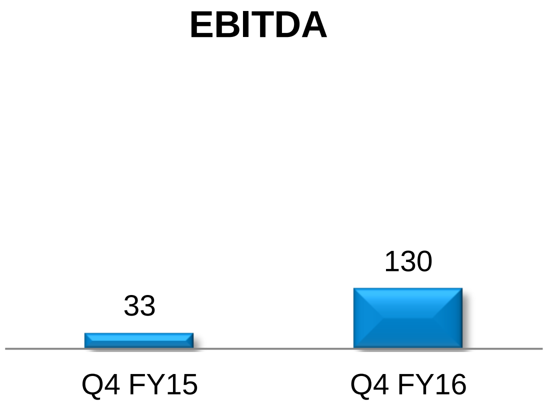
   b. Chloro Vinyl businesses' earnings improved to Rs 111 crores from Rs. 82 crores last year, led by higher realisations as well as lower input costs and better efficiencies

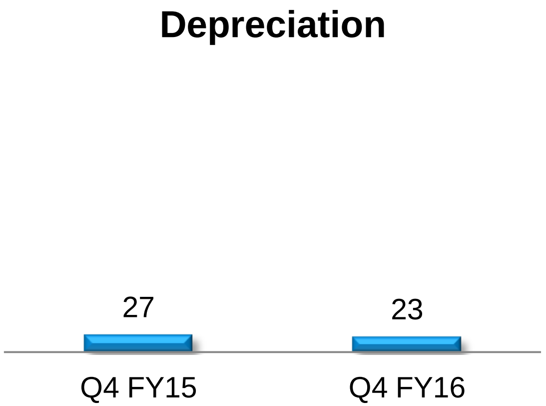
   c. Fertiliser business' earnings improved to Rs. 9 crores led by higher energy efficiencies as well as volumes. Last year there was a maintenance shutdown in March/April 2015.

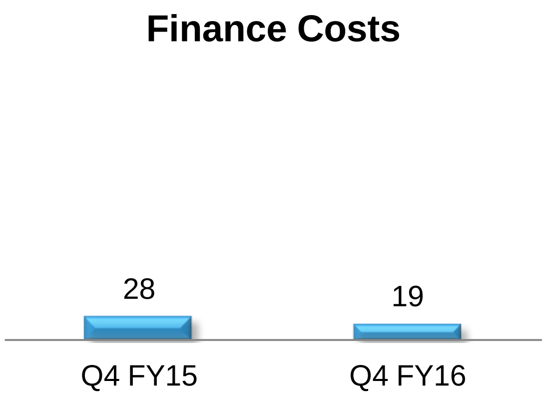
2. **PAT** improved substantially to Rs. 51 crores from –ve Rs 40 crores in Q4 FY 15

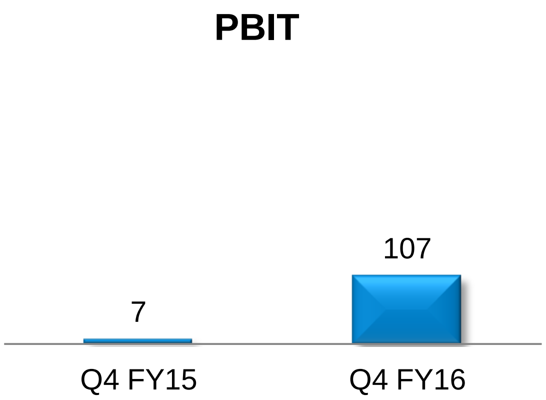
Q4 FY16 – Financial Snapshot

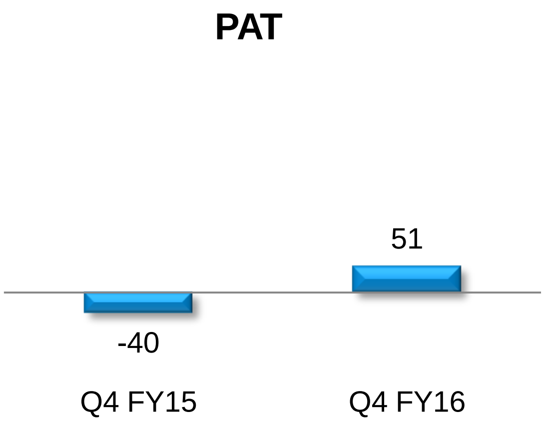












Note: All figures in Rs. Crore

Q4 FY16 - Segment Performance

Rs. crore

	Revenues			PBIT			PBIT Margins %	
Segments	**Q4 FY15**	**Q4 FY16**	***YoY % Change***	**Q4 FY15**	**Q4 FY16**	***YoY % Change***	**Q4 FY15**	**Q4 FY16**
Chloro Vinyl	**308.3**	**293.8**	***(4.7)***	**72.2**	**97.1**	***34.6***	***23.4***	***33.1***
Sugar	**326.8**	**314.2**	***(3.9)***	**(56.0)**	**57.1**	**-**	***(17.1)***	***18.2***
Agri Inputs	**495.4**	**539.5**	***8.9***	**7.9**	**5.2**	***(34.4)***	***1.6***	***1.0***
- Shriram Farm Solutions	247.6	322.4	*30.2*	16.4	16.8	***2.5***	*6.6*	*5.2*
- Bioseed	**77.8**	41.3	***(46.9)***	**(10.8)**	(17.8)	**-**	***(13.9)***	***(43.1)***
- Fertiliser	**170.1**	175.9	***3.4***	**2.3**	6.2	***167.7***	***1.4***	***3.5***
Others	**197.5**	**194.5**	***(1.5)***	**1.6**	**(3.4)**	**-**	***0.8***	***(1.7)***
Total	**1,328.0**	**1,342.0**	***1.1***	**25.6**	**156.1**	***508.6***	***1.9***	***11.6***
Less: Intersegment Revenue	**18.7**	**9.1**	***(51.6)***					
Less: Unallocable expenditure (Net)				**19.1**	**49.3**	***158.2***		
Total	**1,309.3**	**1,333.0**	***1.8***	**6.6**	**106.8**	***1,529.9***	***0.5***	***8.0***

Balance Sheet Abstract

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES (Rs. in Crores)

	PARTICULARS	As at 31.03.2016	As at 31.03.2015
		Audited	Audited
A.	**EQUITY AND LIABILITIES**		
1	**Shareholders' funds**		
	(a) Share Capital	32.64	32.64
	(b) Reserves and Surplus	2,062.99	1,825.90
		2,095.63	**1,858.54**
2	**Minority interest**	**2.82**	**0.96**
3	**Non-current liabilities**		
	(a) Long-term borrowings	259.01	301.21
	(b) Deferred tax liabilities (net)	119.19	122.03
	(c) Other long-term liabilities	39.46	36.47
	(d) Long-term provisions	157.89	148.33
		575.55	**608.04**
4	**Current liabilities**		
	(a) Short-term borrowings	729.54	338.88
	(b) Trade payables	1,176.37	1,119.98
	(c) Other current liabilities	506.24	453.53
	(d) Short-term provisions	46.42	36.73
		2,458.57	**1,949.12**
	Total	**5,132.57**	**4,416.66**
B.	**ASSETS**		
1	**Non-current assets**		
	(a) Fixed assets (net)	1,738.20	1,436.94
	(b) Goodwill on consolidation	71.93	68.23
	(c) Non-current investments	3.02	5.83
	(d) Long-term loans and advances	271.20	188.55
	(e) Other non-current assets	5.35	10.71
		2,089.70	**1,710.26**
2	**Current assets**		
	(a) Inventories	1,329.19	1,132.15
	(b) Trade receivables	1,297.51	1,070.94
	(c) Cash and bank balances	40.98	95.38
	(d) Short-term loans and advances	215.32	213.79
	(e) Other current assets	159.87	194.14
		3,042.87	**2,706.40**
	Total	**5,132.57**	**4,416.66**

Net Worth increased to Rs. 2,096 crores as on March 31, 2016 up from Rs. 1,859 crore as on March 31, 2015

Net debt at Rs. 1,057 crores vs. Rs. 688 crores as on March 31, 2015. Gross Debt at Rs. 1,068 crores vs. Rs 760 crores as on Mar 31, 2015

Gross Debt to Equity at 0.51x as on March 31, 2016 vs. 0.40x as on March 31, 2015

Q4 & FY16 - Performance Overview & Outlook

Chloro-Vinyl

- Chloro Vinyl segment's FY 16 revenue marginally down on lower PVC prices and volumes
- FY 16 earnings improvement on account of higher Chemicals volumes and realizations and lower input costs.
- Power costs rising driven by levies on coal and power generation
- Annual Maintenance shutdown in Plastics business at Kota and chemicals at Bharuch plant impacted volumes and hence revenue during Q4 FY 16
- Fourth quarter earnings improvement was driven by better realizations in Chemicals business
- Capital employed is higher on account of ongoing Chemicals business' capex at Bharuch

Outlook

- Business focused on efficiency improvement initiatives to further improve its cost structure
- Prices will follow global commodity price trends
- Additional Chemicals capacity to come on-stream partly in Q1 FY 17. Full capacity along with additional captive power capacity expected to commission by Q2 FY 17

Sugar

- FY 16 revenue decline was due to lower volumes and lower average realizations during the year. Sugar prices have steadily firmed up since Q3
- Sugar production up by 3% in current season despite 7% decline in cane crushed due to better recoveries at 11.1% from 9.9% in FY 15
- Business earnings improved substantially during FY 16 due to
  - Slightly positive margins in Q4 due to higher prices and lower cost led by better recoveries
  - Last year negative margins led to inventory write-down of Rs 98 crores
- Increase in capital employed was due to higher closing stock of sugar

Outlook

- Industry fundamentals have improved but they need to be sustained over long-term
- Sugar production in India is expected at ~25 Mn MT down from 28.3 Mn MT last year.
- Sugar co-gen expansion project is on schedule, to be commissioned by Q3 FY 17

Q4 & FY16 - Performance Overview & Outlook

Shriram Farm Solutions

- FY 16, revenue increase was driven by higher sales volumes of bulk fertilizers
- 'Value Added' segment's revenue declined by 6% YoY on lower offtake due to the challenging domestic Agri scenario during the year with two successive years of low monsoons
- Earnings impacted primarily due to decline in margins
- High subsidy outstanding in bulk fertilizers continues to weigh on business' profitability
  - Subsidy outstanding at Rs. 307 crores as on March 31, 2016 vs. Rs 203 crores as on March 31, 2015

Outlook

- Company has rationalized its Bulk fertilizer portfolio by reducing trading of DAP and MOP
- As per IMD[1], 2016 Southwest monsoons are expected to be above average. Normal monsoons will support business performance this year
- Focus is on augmenting marketing initiatives, product portfolio and efforts aimed at expanding distribution network to drive growth over medium term for business' 'Value Added' vertical
- High subsidy outstanding continues to be an area of concern

Bioseed

- FY 16 revenues and earnings stood lower on account of lower sales of BT Cotton and Corn hybrid seeds due to adverse climate.
- International business' performance impacted due to lower sales as key markets were affected by the El Nino phenomenon

Outlook

- Normal monsoons in 2016 likely to boost business performance during this year
- Central Govt's decision to regulate BT cotton seed prices and trait value may impact business performance
- Business, driven by high focus on R&D and a strong product pipeline, is augmenting product portfolio and marketing efforts to enable growth in India and international operations in all markets

1. Indian Meteorological Department

Q4 & FY16 - Performance Overview & Outlook

Fertilisers (Urea)

- Operating performance stable
- Earnings during the year impacted by tightening in energy norms under the New Urea Policy
- Efficiency improvement measures implemented in December'15 led to lower energy consumption especially in Q4 FY 16
- High subsidy out standings continued to weigh on business earnings during the year
  - Subsidy outstanding stood at Rs 454 crores vs. Rs 370 crores as on March 31, 2015

Outlook

- Company undertaking measures to further improve energy efficiency
- Subsidy outstanding likely to remain high thereby exerting pressure on earnings
- Inadequate reimbursement of conversion costs continues to adversely impact business' profitability

Others

Fenesta Windows

- Fenesta business' revenue increased on account of higher volumes during the year
- Retail segment's contribution to revenue sustained at 72% in FY 16, up from 70% last year
- Overall Order Booking increased by 29% in FY 16 with 'Projects' and 'Retail' segment's order booking increasing by 63% and 18%, respectively
- Business operations achieved PBT positive in FY 16 driven by 21% rise in sales volumes

Cement

- Revenue increase in FY 16 was due to higher sales volumes, a result of higher production during the year
- Business' PBIT loss narrowed in FY 16 over last year due to higher volumes and lower input costs

Hariyali Kisaan Bazaar

- Revenues are from fuel sales only. Losses in the quarter on account of reduction in realizable value of property held for sale.
- Business is focused on sale of existing land parcels however sales were slow in FY 16. Expected to take about 2-3 years

Management's Message

Commenting on the performance for the quarter and financial year, in a joint statement, Mr. Ajay Shriram, Chairman & Senior Managing Director, and Mr. Vikram Shriram, Vice Chairman & Managing Director, said:

"The company has witnessed encouraging performance for the year driven by improvement in the Sugar business fundamentals and stable performance of the Chloro Vinyl business. However Agri-input businesses faced challenges on account of adverse weather conditions during the year.

Sugar Industry's viability improved during the second half of FY 16 with increase in sugar prices and lower cost of production, a result of high sugar recovery. The Govt. at the Centre and State have evolved more rational policy frameworks in respect of cane pricing, ethanol, exports etc which contributed to the turnaround. It is desirable that the same rational approach continues for restoring health of the industry over medium term.

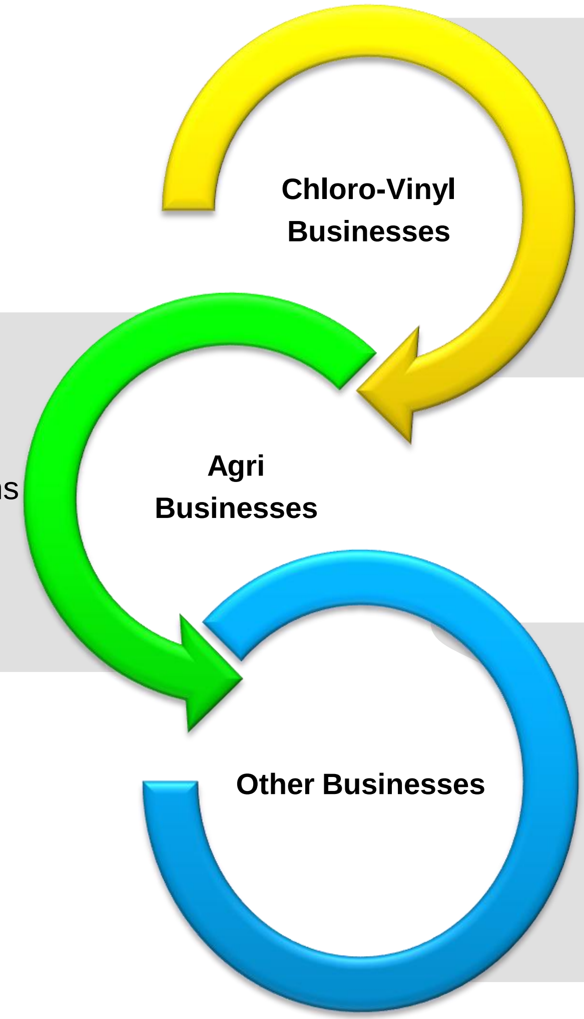
We are enthused by the performance of Chemical business. The commissioning of expanded capacity at Bharuch in the current year is expected to significantly improve the cost structure and provide volume growth.

Performance of Bioseed and Farm Solutions businesses was impacted due to a weak demand scenario in the backdrop of a second consecutive year of drought and distressed farmer economics. Positive monsoon forecast for the coming season is encouraging for these businesses in India as well as International.

Fertiliser business during the year was impacted by the tightening in energy norms and higher level of subsidy outstanding. We are undertaking measures to improve efficiency to support business' earnings.

Our borrowings are at comfortable levels despite undertaking projects worth Rs 725 crore over FY 16 and 17. These projects will add significant value to the Company from FY 17 onwards. Together with these we continue to spend on cost saving measures to optimise the cost structures which are critical for long term sustainability of our businesses.

Segmental Overview



- Chemicals
- PVC Resins
- Calcium carbide
- Power

- Agri- Inputs
  - Fertilisers
  - Shriram Farm Solutions
  - Bioseeds
- Sugar

- Fenesta Building Systems
- Cement
- Polymer Compounds
- Hariyali Kisaan Bazaar

Chloro Vinyl Business

Particulars	Revenues (Rs. cr.)	PBIT (Rs. cr.)	Cap. Employed (Rs. cr.)
Q4 FY16	**293.8**	**97.1**	**762.0**
Q4 FY15	308.3	72.2	495.0
% Shift	*(4.7)*	*34.6*	*53.9*
FY16	***1,221.8***	***350.3***	**762.0**
FY15	1,242.3	317.1	495.0
% Shift	*(1.6)*	*10.5*	*53.9*

The Chloro-Vinyl business of the Company has highly integrated operations with multiple revenue streams and 143 MW captive power generation facilities. Chemicals operations are at two locations (Kota – Rajasthan and Bharuch – Gujarat), while Vinyl is at Kota only. The multiple revenue streams enable the Company to optimize operations in a manner to maximize the contribution per unit of power .

Chemicals

	Operational		Financial	
Particulars	**Sales (MT)**	**Realisations (Rs./MT)**	**Revenues (Rs. cr.)**	**PBIT (Rs. cr.)**
Q4 FY16	**58,604**	**26,632**	**178.0**	**65.8**
Q4 FY15	67,664	22,571	172.0	46.4
% Shift	*(13.4)*	*18.0*	*3.5*	*41.7*
FY16	***263,638***	**24,911**	***728.8***	***245.3***
FY15	260,590	23,681	683.4	178.2
% Shift	*1.2*	*5.2*	*6.6*	*37.6*

Performance Overview

- Higher Revenue during FY 16 was a result of higher volumes and better realisations of Chlor-Alkali products.
- Earnings improvement during the year was primarily on account higher realizations, lower costs of key input materials (except power costs) and better production efficiencies vis-à-vis last year
  - Power costs rising driven by levies on coal and power generation
- Annual Maintenance shutdown at Bharuch plant impacted volumes during Q4 FY 16
- Q4 earnings higher on a 18% YoY increase in realizations and lower input costs
- Increase in capital employed is on account of ongoing Chemicals business' capacity expansion at Bharuch plant

Outlook

- Business focused on efficiency improvement initiatives to further improve its cost structure
- Prices will follow global commodity price trends
- Additional Chemicals capacity to come on-stream partly in Q1 FY 17. Full capacity along with additional captive power capacity expected to commission by Q2 FY 17

Plastics

	Operational				Financial	
Particulars	PVC Sales (MT)	PVC XWR Realisations (Rs./MT)	Carbide Sales (MT)	Carbide XWR Realisations (Rs./MT)	Revenues (Rs. cr.)	PBIT (Rs. cr.)
Q4 FY16	**13,187**	**63,500**	**6,013**	**43,307**	**115.8**	**31.4**
Q4 FY15	16,212	64,068	6,179	42,331	136.3	25.7
% Shift	*(18.7)*	*(0.9)*	*(2.7)*	*2.3*	*(15.0)*	*21.9*
FY16	***58,244***	***64,941***	***22,701***	***43,180***	***493.0***	***105.1***
FY15	62,789	70,460	22,431	42,580	558.8	138.9
% Shift	*(7.2)*	*(7.8)*	*1.2*	*1.4*	*(11.8)*	*(24.3)*

Performance Overview

- FY 16 revenue and earnings declined on account of lower PVC volumes and realizations
  - Lower cost of key input materials, except power, partly offset the earnings decline during the year
- Domestic and global PVC prices started firming up from Jan 2016, still lower than last year
- Business had maintenance shutdown in Q4 FY 16 that impacted volumes during the quarter
  - Q4 earnings up due to better realizations in Carbide and lower costs

Outlook

- Future realizations will follow global price trends
- Focused on improving business' cost efficiencies

Sugar

	Operational		Financial		
Particulars	**Sales (Lac Qtls)**	**Realisations (Rs./Qtl)**	**Revenues (Rs. cr.)**	**PBIT (Rs. cr.)**	**Cap. Employed (Rs. cr.)**
Q4 FY16	**7.4**	**3,031**	**314.2**	**57.1**	**1038.1**
Q4 FY15	8.9	2,664	326.8	(56.0)	784.9
% Shift	*(17.0)*	*13.8*	*(3.9)*	-	*32.3*
FY16	***28.2***	***2,638***	***923.8***	***87.9***	**1038.1**
FY15	29.2	2,967	1,037.1	(68.5)	784.9
% Shift	*(3.2)*	*(11.1)*	*(10.9)*	-	*32.3*

Performance Overview

- FY 16 revenue decline was due to lower volumes and lower average realizations during the year. Sugar prices have witnessed upward trend since Q3
- Crushing operations completed at all four factories. Sugar production in FY 16 is up by 3% despite of a 7% decline in cane crushed due to improvement in recoveries
  - Recoveries improved to 11.1% from 9.9% in FY 15
- Business earnings improved substantially during FY 16 due to
  - Slightly positive margins in Q4 due to higher prices and lower cost of production on better recoveries
  - Last year negative margins led to inventory write-down of Rs 98 crores
- Increase in capital employed was due to higher closing stock of sugar

Outlook

- Recent price increases have led to improvement in sector's viability; improvement in sector's financial position would require continuation of current prices and cost trends
- Sugar production in India during Sugar season 2015-16 is expected at ~25 Mn MT down from 28.3 Mn MT last year
- Sugar co-gen expansion project is on schedule, to be commissioned by Q3 FY 17

Agri- Input Businesses

The Agri input business contributed to 53% of FY 16 revenues of the Company. The Company continues to focus on these businesses given the huge opportunity in this area where the Company can capitalize on its long standing understanding of varied Agri businesses and the rural consumer; its established infrastructure; services & product portfolio; and a deep rural presence. The Agri Input Business includes:

- Shriram Farm Solutions
- Bioseed
- Fertiliser (Urea)

Shriram Farm Solutions

Particulars	Revenues (Rs. cr.)	PBIT (Rs. cr.)	Cap. Employed (Rs. cr.)
Q4 FY16	**322.4**	**16.8**	**216.1**
Q4 FY15	247.6	16.4	155.0
% Shift	*30.2*	*2.4*	*39.4*
FY16	***1798.3***	***72.8***	**216.1**
FY15	1,416.7	87.2	155.0
% Shift	*26.9*	*(16.5)*	*39.4*

The portfolio comprises Value-added products such as Seeds, Pesticides, Soluble Fertiliser, Micro-nutrients etc. along with Bulk Fertilisers (DAP, MOP, SSP). This business is seasonal in nature and the results in the quarter are not representative of annual performance

Performance Overview

- FY 16, revenue increased by 27% due to higher sales volumes of bulk fertilizers
- 'Value Added' segment's revenue declined by 6% YoY on lower offtake as the second successive year of deficient monsoons impacted demand
- Earnings stood lower as margins declined
- High subsidy outstanding in bulk fertilizers continues to affect business' earnings. Subsidy outstanding up at Rs. 307 crores as on March 31, 2016 vs. Rs 203 crores as on March 31, 2015

Outlook

- Company has rationalized its Bulk fertilizer operations by reducing trading of DAP and MOP
- As per IMD[1], 2016 Southwest monsoons are expected to be above average. Normal monsoons are likely to lead to better performance this year
- Focus is on augmenting marketing initiatives, product portfolio and efforts aimed at expanding distribution network to drive growth over medium term for business' 'Value Added' vertical
- High Subsidy outstanding continues to be an area of concern

1. Indian Meteorological Department

Bioseed

Particulars	Revenues (Rs. cr.)	PBIT (Rs. cr.)	Cap. Employed (Rs. cr.)
Q4 FY16	**41.3**	**(17.8)**	**342.7**
Q4 FY15	77.8	(10.8)	380.0
% Shift	*(46.9)*	-	*(9.8)*
FY16	**484.5**	**8.0**	**342.7**
FY15	570.3	32.1	380.0
% Shift	*(15.0)*	*(75.0)*	*(9.8)*

Bioseed business is intensely research based and is diversified across key crops (Cotton, Corn, Paddy, Bajra and Vegetables). India is the key market with presence across all above crops. International presence is in Vietnam , Philippines and Indonesia wherein the key crop is Corn. The performance of the business has seasonality, with Kharif being the major season in India.

Performance Overview

- FY 16 revenues declined due to lower sales in the domestic and international markets
  - Domestic business' revenue fell on account of lower sales of BT Cotton and Corn hybrid seeds due to the challenging domestic Agri scenario during the year
  - International business' performance impacted due to lower sales as key markets were affected by the El Nino phenomenon
- Earnings during FY 16 stood lower primarily due to lower sales in domestic and international markets

Outlook

- Normal monsoons in 2016 likely to boost business performance during this year
- Central Govt's decision to regulate BT cotton seed prices and trait value may impact business performance
- Business continues to focus on R&D. Augmenting product portfolio and marketing efforts to enable growth in India and international operations in all markets

Fertilisers (Urea)

	Operational		Financial		
Particulars	**Sales (MT)**	**Realisations (Rs./MT)**	**Revenues (Rs. cr.)**	**PBIT (Rs. cr.)**	**Cap. Employed (Rs. cr.)**
Q4 FY16	**102,549**	**17,085**	**175.9**	**6.2**	**518.8**
Q4 FY15	92,036	17,943	170.1	2.3	441.8
% Shift	*11.4*	*(4.8)*	*3.4*	*167.6*	*17.4*
FY16	**399,834**	**19,891**	**798.1**	**31.1**	**518.8**
FY15	397,589	18,067	726.2	37.4	441.8
% Shift	*0.6*	*10.1*	*9.9*	*(16.7)*	*17.4*

Performance Overview

- Operating performance stable
- Earnings during the year impacted by tightening in energy norms under the New Urea Policy which came into effect from June 1, 2015
- Energy consumption stood lower in Q4 FY 16 on efficiency improvement measures implemented in December'15
- High subsidy out standings continued to adversely impact business earnings during the year
  - Subsidy outstanding increased to Rs 454 crores as on March 31, 2016 vs. Rs 370 crores as on March 31, 2015

Outlook

- Company focused on ensuring further improvement in energy efficiency to support business' earnings
- Subsidy outstanding likely to remain high thereby exerting pressure on earnings
- Inadequate reimbursement of conversion costs continues to adversely impact business' profitability

Other Businesses

DCM Shriram's other operations, reported as 'Others' in the financial results, include its businesses of Cement, Fenesta Building Systems, Hariyali Kisaan Bazar and Polymer Compounding (now under 50:50 JV).

Revenues under 'Others' stood at Rs. 805 crores in the year under review compared to Rs. 866 crores last year. PBIT for the year stood at Rs. 0.4 crores vis-à-vis PBIT of –ve Rs. 2 crores in FY 15.

Fenesta Building Systems

Particulars	Operational Order Book (Rs cr.)	Financial Revenues (Rs. cr.)
Q4 FY16	**77.8**	**56.9**
Q4 FY15	67.0	48.5
% Shift	*16.0*	*17.2*
FY16	***290.4***	***210.5***
FY15	*224.3*	*181.9*
% Shift	*29.4*	*15.8*

Fenesta a pan India brand has become synonymous with UPVC windows. Includes Retail and Project Segment

Performance Overview

- Fenesta business' revenue increased on account of higher volumes during the year
- Retail segment's contribution to revenue stood at 72% in FY 16, up from 70% last year
- Order Booking up by 29% YoY in FY 16 driven by a 63% and 18% increase in orders booked in 'Projects' and 'Retail' segment's, respectively
- Business operations achieved PBT positive in FY 16 driven by 21% rise in sales volumes during the year

Outlook

- Company is focused on expanding the 'Retail' segment along with the revival of 'Project' sales to provide profitable volume growth
- Improvement in the overall economic scenario and uptick in the real estate sector will enable higher penetration of our UPVC window offerings

Cement

	Operational		Financial		
Particulars	**Sales (MT)**	**Realisations (Rs./MT)**	**Revenues (Rs. cr.)**	**PBIT (Rs. cr.)**	**Cap. Employed (Rs. cr.)**
Q4 FY16	**110,853**	***2,566***	**36.5**	**2.7**	**9.1**
Q4 FY15	105,097	2,647	34.2	(1.2)	9.6
% Shift	*5.5*	*(3.1)*	*6.7*	-	*(5.1)*
FY16	***426,665***	***2,667***	***139.0***	***(0.8)***	**9.1**
FY15	390,316	2,860	137.1	(5.1)	9.6
% Shift	*9.3*	*(6.7)*	*1.4*	-	*(5.1)*

The Cement business is small. since its capacity is driven by the waste generated from carbide plant. The Company markets its cement under the 'Shriram' brand

Performance Overview

- Revenue increased by 1.4% YoY in FY 16 on account of higher sales volumes, a result of higher production during the year
- Business' PBIT loss narrowed in FY 16 over last year due to higher volumes and lower input costs

Outlook

- Demand is expected to pick-up on increase in Govt. spending towards building up rural infrastructure (mainly Roads/Highways and Urban Infra) and expectation of normal monsoons this year

Hariyali Kisaan Bazaar

Particulars	Revenues (Rs. cr.)	PBIT (Rs. cr.)	Cap. Employed (Rs. cr.)
Q4 FY16	**83.7**	**(5.0)**	**138.7**
Q4 FY15	97.3	0.9	165.2
% Shift	*(14.0)*	-	*(16.0)*
FY16	***377.1***	***(5.0)***	**138.7**
FY15	465.5	4.8	165.2
% Shift	*(19.0)*	-	*(16.0)*

Performance Overview

- Revenues are from fuel sales only
- The Company took a write-down in 'Hariyali' business on account of reduction in realizable value of properties held for sale.
- Business is focused on sale of existing land parcels however sales were slow in FY 16. Expected to take about 2-3 years

About Us & Investor Contacts

DCM Shriram Ltd. is an integrated business entity, with extensive and growing presence across the entire Agri value chain and Chloro-Vinyl industry. The Company has added innovative value- added businesses in these domains primarily Bioseed and Fenesta. Access to captive power at all key manufacturing units enables the businesses to optimise competitive edge.

For more information on the Company, its products and services please log on to **www.dcmshriram.com** or contact:

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