

Price Waterhouse Chartered Accountants LLP

Independent auditor's report

To the Members of DCM Shriram Limited

Report on the audit of the Standalone financial statements

Opinion

1. We have audited the accompanying standalone financial statements of DCM Shriram Limited ("the Company"), which comprise the balance sheet as at March 31, 2021, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the standalone financial statements, including 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, 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for opinion

3. We conducted our audit 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 Responsibilities for the Audit of the 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 together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N).

Key audit matter	How our audit addressed the key audit matter
<p>4.1 Determination of carrying value of inventory of sugar, including related joint and other products as at the year ended March 31, 2021</p> <p>(Refer to the accompanying notes 1.3 (f), 6 and 52 forming integral part of the Standalone Financial Statements)</p> <p>As on March 31, 2021, the Company had an inventory of sugar and related products i.e., molasses, ethanol, etc. with a carrying value of Rs.1,218.53 crores. During the previous year, the Company had commenced production of ethanol at its Distillery units using a particular type of molasses (B-heavy, a product produced along with sugar).</p> <p>Sugar and B-heavy molasses have been recognised as joint products and the cost of production has been allocated between these joint products based on technical estimates. We considered the determination of carrying value of the inventory (i.e., lower of cost and NRV) of joint products, sugar and B-heavy molasses as a Key Audit Matter given the relative size in the standalone financial statements and significant judgement involved in analysing the relevant factors such as basis for classification of B-heavy molasses as a joint product, determination of a rational basis for allocation of cost i.e., on technical estimates, between the joint products in calculating the cost of inventories and NRV determined basis minimum sale price, monthly quota, fluctuation in selling prices and the related notifications of the Government authorities.</p>	<p>We understood the design and tested the operating effectiveness of controls as established by the management in determination of cost for joint products and estimated net realizable value of inventory of sugar and related products.</p> <p>We considered various factors including technical assessment of the management, industry practice, significance of the products, manufacturing objective in determination of classification of the products as 'joint products'; the relative net realisable value of sugar and B- heavy molasses based ethanol in determination of a rational basis for allocation of cost between the joint products; and the actual selling price prevailing prior and subsequent to the year end, minimum selling price, monthly quota and other notifications of the Government of India, initiatives taken by the Government with respect to sugar industry as a whole.</p> <p>Based on the above procedures performed, the carrying value and existence of inventory of sugar and related products as at the year-end determined by the management is considered to be reasonable.</p>
<p>4.2 Assessment of impairment of investments and loans/advances given to subsidiaries</p> <p>(Refer to the accompanying notes 1.4(iii), 3.1, 3.2, 7.4, 9, 25, 31 and 52 forming integral part of the Standalone Financial Statements)</p> <p>The Company has given loans and advances to subsidiaries aggregating to Rs. 182.78 crores as at March 31, 2021, and has investments amounting to Rs. 150.86 crores in this regard. These subsidiaries have incurred loss during the year and as at the year end their net worth stands substantially eroded which indicates potential impairment of investment in those subsidiaries along with loans and advances given to such subsidiaries. The Company has recognized impairment of Rs</p>	<p>We understood the design and tested the operating effectiveness of controls as established by management in determination of appropriateness of the carrying value of investments, loans and advances.</p> <p>We evaluated the Company's process regarding impairment assessment by involving our valuation experts (auditor's expert) to assist in assessing the appropriateness of the impairment model including the independent assessment of the underlying assumptions relating to discounts rate, economic growth rate, terminal value, sensitivity analysis etc. and also evaluated the cash flow forecasts (with underlying economic growth rate) by comparing them to the updated budgets provided by the</p>

<p>123.14 crores as at March 31, 2021 (including Rs Nil during the year) against the above investments and loans and advances.</p> <p>We considered this a Key Audit Matter given the relative significance of value of investment and loans and advances to the standalone financial statements and extent of management's judgements and estimates involved such as future cash flows, discount rate, terminal value and economic growth rates etc. around the impairment assessment done by the management.</p>	<p>management.</p> <p>We checked the mathematical accuracy of the impairment model and the appropriate accounting in the standalone financial statements.</p> <p>Based on the above procedures performed, we observed the management's impairment assessment related to loans / advances given to subsidiaries to be reasonable.</p>
<p>4.3 Impact of government policies/ notifications on recognition of subsidy accruals/claims and their recoverability</p> <p>(Refer to the accompanying notes 1.3 (g)(ii), 1.4(v)(b), 19, 29, 45.1 and 52 forming integral part of the Standalone Financial Statements)</p> <p>During the year, the Company has recognized accruals/subsidy claims amounting to Rs.683.98 crores (net) and as at March 31, 2021, the Company has receivables of Rs. 153.07 crores relating to such claims which is significant to the standalone financial statements.</p> <p>We focused on this area 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>We understood the design and tested the operating effectiveness of controls as established by management in recognition and assessment of the recoverability of the claims.</p> <p>We evaluated the management's assessment regarding reasonable certainty for complying with the relevant conditions as specified in the Notifications / policies and collections.</p> <p>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.</p> <p>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 credit loss charged over time, provisions created and reversal thereof in the financial statements.</p> <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>
<p>4.4 Appropriateness of Carrying amount of deferred tax assets relating to Minimum Alternate Tax (MAT) credit</p> <p>(Refer to the accompanying notes 1.3 (m), 1.4(iv), 4, 26, 42 and 52 forming integral part of the Standalone Financial Statements)</p> <p>The Company has recognised deferred tax assets on the unutilised tax credits, representing Minimum Alternate Tax (MAT) paid on the accounting profit in earlier years over and above the normal taxable profit, in accordance with the provisions of Section 115JB of the Income-tax Act, 1961 and related rules. The carrying amount of MAT Credit, included</p>	<p>We understood the design and tested the operating effectiveness of Company's controls relating to taxation and the assessment of carrying amount of deferred tax assets.</p> <p>We reviewed the Company's accounting policy in respect of recognizing deferred tax assets on unutilised MAT credits.</p> <p>We evaluated whether the tax credit entitlements are legally available to the Company in respect of the future years, as estimated by the management while projecting the taxable profits, considering to the provisions of Income-tax Act, 1961.</p>

<p>under Deferred Tax Assets (net) is Rs. 393.72 crores as at the balance sheet date.</p> <p>We considered this as a Key Audit Matter as the assessment of the appropriateness of the carrying amount of deferred tax asset relating to MAT involves significant management judgement in assessing the availability of future taxable profits to offset the accumulated MAT credits, assessment of assumptions (internal / external factors) underlying the future profit projections to establish reasonable certainty around utilization of the asset.</p>	<p>We assessed the reasonableness of the assumptions underlying management's profit projections such as the growth rates in light of the relevant economic and industry indicators.</p> <p>We also assessed the sensitivity analysis applied by the Company and evaluated if any change in the assumptions will lead to any material change in carrying amount. We checked the mathematical accuracy of the underlying calculations of the profit projections. We also evaluated the adequacy and appropriateness of disclosures made in the standalone financial statements.</p> <p>Based on the above procedures performed, the carrying amount of deferred tax assets, including disclosure relating to MAT credit, are considered to be reasonable.</p>
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Other Information

5. 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 financial statements and our auditor's report thereon.
6. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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

8. 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, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.
9. In preparing the 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the standalone financial statements

10. 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.
11. 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 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 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 Company has adequate internal financial controls with reference to 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 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
12. 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.
13. 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.
14. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.

Report on other legal and regulatory requirements

15. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
16. As required by Section 143(3) of the Act, 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 Statement of Changes in Equity and Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of written representations received from the directors as on March 31, 2021, taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2021, 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 financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
 - (g) 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, 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 did not have any long-term contracts including derivative 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. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Company for the year ended March 31, 2021.

17. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

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Date: 2021.05.04 14:40:03
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Harinderjit Singh
Partner
Membership Number: 086994

UDIN: 21086994AAAAAI9097
Place: Gurugram
Date: May 04, 2021

Annexure A to Independent Auditors' Report

Referred to in paragraph 16 (f) of the Independent Auditors' Report of even date to the members of DCM Shriram Limited on the standalone financial statements for the year ended March 31, 2021

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Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of DCM Shriram Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 (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 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 Act.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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") and the Standards on Auditing deemed to be prescribed under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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.
5. 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 system with reference to financial statements.

Annexure A to Independent Auditors' Report

Referred to in paragraph 16 (f) of the Independent Auditors' Report of even date to the members of DCM Shriram Limited on the standalone financial statements for the year ended March 31, 2021

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Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial controls with reference to 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 controls with reference to 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 financial statements

7. Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting 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.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

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Date: 2021.05.04
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Harinderjit Singh
Partner
Membership Number: 086994

UDIN: 21086994AAAAAI9097
Place: Gurugram
Date: May 04, 2021

Annexure B to Independent Auditors' Report

Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of DCM Shriram Limited on the standalone financial statements as of and for the year ended March 31, 2021

- i. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) The fixed assets (property, plant and equipment) are physically verified by the Management according to a phased programme designed to cover all the items over a period of 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 programme, a portion of the fixed assets (property, plant and equipment) has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The title deeds of immovable properties, as disclosed in Note 2.1 on fixed assets (property, plant and equipment) to the financial statements, are held in the name of the Company, 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. Further, freehold land located at Hyderabad (Gross block - Rs.1.56 crores and Net block – Rs. 1.56 crores) and freehold land located at Uttar Pradesh (Gross block - Rs.0.31 crores and Net block –Rs. 0.31 crores) are pending for registration in favour of the Company.
- ii. The physical verification of inventory excluding stocks with third parties have been conducted at reasonable intervals by the Management of certain types of inventories during the year/at the year-end. In respect of inventory lying with third parties, these have substantially been confirmed by them. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3(iii), (iii)(a), (iii)(b) and (iii)(c) of the said Order are not applicable to the Company.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made and guarantees and security provided by it.
- v. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 73, 74, 75 and 76 or any other relevant provisions of the Act and the Rules framed thereunder to the extent notified, with regard to the deposits accepted from the public. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the Company in respect of the aforesaid deposits.
- vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products related to Sugar, Cement, Fertiliser, Chemicals, Poly vinyl chloride (PVC) resin, Unplasticized polyvinyl chloride (UPVC) Doors and windows and electrical energy businesses. We have broadly reviewed the same, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

Annexure B to Independent Auditors' Report

Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of DCM Shriram Limited on the standalone financial statements for the year ended March 31, 2021

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- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, goods and service tax and other material statutory dues, as applicable, with the appropriate authorities. Also refer note 28(i)(b) to the financial statements regarding management's assessment on certain matters relating to provident fund.

Further, for the period April 01, 2020 to May 31, 2020, the Company has paid Goods and Service Tax and filed GSTR 1 and GSTR 3B, after the due date but within the timelines allowed by Ministry of Finance under the Notification No. 35/2020- GST dated April 03, 2020 on fulfilment of conditions specified therein.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of goods and service tax which have not been deposited on account of any dispute. The particulars of dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax as at March 31, 2021 which have not been deposited on account of a dispute, are as follows:

Nature of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount involved	Amount paid under Protest	Amount Unpaid
				Rs in crores	Rs in crores	Rs in crores
Central Excise Act, 1944	Excise duty	Customs, Excise and Service Tax Appellate Tribunal	2008-09, 2011-12, 2012-13, 2016-17	0.54	-	0.54
Central Excise Act, 1944	Excise duty	Appellate Authority upto Commissioner's level	2009-2010, 2010-11, 2011-12	0.06	-	0.06
Finance Act, 1994	Service Tax	Appellate Authority upto Commissioner's level	2005-06, 2016-17	0.31	-	0.31
Sales Tax Laws	Sales Tax	Asst. Commissioner, Commercial tax department	2011-12	0.12	0.05	0.07
Sales Tax Laws	Sales Tax	Rajasthan State Board	2011-12	0.28	0.28	-
Sales Tax Laws	Sales Tax	Appellate Authority upto Commissioner's level	1999-2000, 2000-01, 2001-02, 2002-03, 2004-05, 2007-08, 2015-16, 2016-17	1.48	0.44	1.04
Customs duty Act, 1962	Customs duty	Customs, Excise and Service Tax Appellate Tribunal	2012-2013	9.82	0.62	9.20
Customs duty Act, 1962	Customs duty	Appellate Authority upto Commissioner's level	2012-13, 2014-15 and 2018-19	0.05	-	0.05

Annexure B to Independent Auditors' Report

Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of DCM Shriram Limited on the standalone financial statements for the year ended March 31, 2021

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The following matters have been decided in favour of the Company although the Departments have preferred appeal at higher levels.

Nature of Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount involved
				Rs in crores
Central Excise Act, 1944	Excise	High Court	2005-06, 2008-09, 2011-12, 2012-13	4.68
Central Excise Act, 1944	Excise	Customs, Excise and Service Tax Appellate Tribunal	2012-13, 2013-14, 2014-15	0.05
Central Excise Act, 1944	Excise	Up to Commissioner level	2005-06, 2015-16, 2016-17	0.50
Finance Act, 1994	Service Tax	Supreme Court	2007-08, 2008-09, 2009-10, 2010-11, 2011-12, 2012-13	31.66
Sales Tax Laws	Sales Tax	Supreme Court	2000-01, 2003-04	17.05
Sales Tax Laws	Sales Tax	High Court	2005-06, 2006-07, 2007-08	0.85
Sales Tax Laws	Sales Tax	Appellate Authority upto Commissioner's level	2007-08, 2015-16	0.01
Income Tax Act	Income Tax	High Court	2001-02	1.99

Also refer Note 36 to the financial statements

- viii. According to the records of the Company examined by us and the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to any financial institution or bank or Government or dues to debenture holders as at the balance sheet date.
- ix. The Company has not raised any moneys by way of initial public offer, further public offer (including debt instruments) and term loans. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- xi. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. Also refer paragraph 17 of our main audit report.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the provisions of Clause 3(xii) of the Order are not applicable to the Company.

Annexure B to Independent Auditors' Report

Referred to in paragraph 15 of the Independent Auditors' Report of even date to the members of DCM Shriram Limited on the standalone financial statements for the year ended March 31, 2021

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- xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in Note 31 to the financial statements as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of Clause 3(xiv) of the Order are not applicable to the Company.
- xv. The Company has not entered into non-cash transactions with its directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

**HARINDERJIT
SINGH**

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HARINDERJIT SINGH
Date: 2021.05.04 14:41:19
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Harinderjit Singh
Partner
Membership Number: 086994

UDIN: 21086994AAAAAI9097
Place: Gurugram
Date: May 04, 2021

DCM SHRIRAM LIMITED

Regd. Office : 2nd Floor, (West Wing), Worldmark 1, Aerocity, New Delhi - 110 037
 CIN: L74899DL1989PLC034923 E-mail: response@dcmshriram.com Website: www.dcmshriram.com Tel: 91 11 42100200 Fax: 91 11 43561694

**STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS
 FOR THE YEAR ENDED MARCH 31, 2021**

(Rs. in Crores)

PARTICULARS	Quarter Ended			Year Ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	Audited*	Unaudited	Audited*	Audited	Audited
Revenue from operations					
Sale of products	2,159.24	2,128.59	1,853.67	8,179.37	7,596.28
Other operating revenue	14.56	8.16	52.73	32.62	75.68
Total revenue from operations	2,173.80	2,136.75	1,906.40	8,211.99	7,671.96
Other income	31.63	17.23	10.13	89.67	101.01
Total Income	2,205.43	2,153.98	1,916.53	8,301.66	7,772.97
Expenses					
(a) Cost of materials consumed	1,372.50	1,029.44	1,323.26	3,315.55	3,277.41
(b) Purchases of stock-in-trade	83.45	293.17	84.38	797.75	746.48
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(354.97)	(238.55)	(511.97)	385.92	(215.14)
(d) Employee benefits expense	185.58	185.15	174.88	715.98	699.53
(e) Finance costs	24.64	25.65	42.90	121.79	159.94
(f) Depreciation and amortisation expense	57.59	54.93	59.05	229.86	215.05
(g) Power and fuel	243.52	228.50	248.43	900.37	1,054.60
(h) Other expenses	281.85	239.87	239.00	958.67	911.80
Total expenses	1,894.16	1,818.16	1,659.93	7,425.89	6,849.67
Profit before tax	311.27	335.82	256.60	875.77	923.30
Tax expense					
- Current tax	59.52	73.25	24.56	173.06	116.21
- Deferred tax	17.93	10.85	18.84	38.59	72.25
Tax adjustments related to earlier year :					
- Current tax	(8.63)	-	-	(7.65)	(11.32)
- Deferred tax	9.29	-	0.49	9.29	2.49
Profit after tax	233.16	251.72	212.71	662.48	743.67
Other comprehensive income					
A (i) items that will not be reclassified to profit or loss	9.90	(1.00)	(2.85)	6.90	(13.15)
(ii) income tax relating to items that will not be reclassified to profit or loss	(3.46)	0.35	1.88	(2.41)	5.48
B (i) items that may be reclassified to profit or loss	1.63	1.17	(4.44)	3.62	(4.23)
(ii) income tax relating to items that may be reclassified to profit or loss	(0.57)	(0.41)	1.55	(1.27)	1.48
Total Comprehensive income (after tax)	240.66	251.83	208.85	669.32	733.25
Profit before interest, depreciation and tax (EBIDTA)	393.50	416.40	358.55	1,227.42	1,298.29
Basic/Diluted - EPS (Rs. per equity share)	14.95	16.14	13.64	42.48	47.69
Net worth				4,699.40	4,115.60
Debt Equity ratio				0.04	0.40
Debt service coverage ratio				6.30	5.03
Interest service coverage ratio				13.99	11.03

* Refer note 5

Segment wise Revenue, Results, Assets and Liabilities

(Rs. in Crores)

PARTICULARS	Quarter Ended			Year Ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	Audited#	Unaudited	Audited#	Audited	Audited
A. Segment Revenue					
Chloro-Vinyl	627.06	549.68	484.26	2,015.24	2,278.20
Sugar	1,020.67	656.50	838.31	3,384.53	2,521.55
Shriram Farm Solutions	64.80	394.96	70.44	858.02	748.49
Bioseed	49.35	68.89	38.35	368.98	334.99
Fertiliser	214.89	263.72	300.42	900.68	1,016.60
Others	211.56	214.63	183.15	740.42	831.07
Total	2,188.33	2,148.38	1,914.93	8,267.87	7,730.90
Less: Inter segment revenue	14.53	11.63	8.53	55.88	58.94
Total Revenue from operations	2,173.80	2,136.75	1,906.40	8,211.99	7,671.96
B. Segment Results					
Profit/(loss) (before unallocated expenditure, finance cost and tax)					
Chloro-Vinyl	176.06	177.20	81.03	518.42	651.95
Sugar	220.64	97.42	194.56	428.93	390.70
Shriram Farm Solutions	(7.58)	77.82	(9.28)	109.91	64.85
Bioseed	(37.69)	(13.37)	(8.16)	(7.36)	21.02
Fertiliser	1.36	36.74	73.29	59.08	79.67
Others	15.35	17.18	4.75	40.10	56.58
Total	368.14	392.99	336.19	1,149.08	1,264.77
Less:					
i) Finance costs	24.64	25.65	42.90	121.79	159.94
ii) Other unallocable expenditure net off unallocated income	32.23	31.52	36.69	151.52	181.53
Profit before tax	311.27	335.82	256.60	875.77	923.30
C. Segment Assets					
Chloro-Vinyl	1,814.78	1,802.16	1,862.69	1,814.78	1,862.69
Sugar	3,087.54	2,683.10	3,393.50	3,087.54	3,393.50
Shriram Farm Solutions	125.05	170.01	208.08	125.05	208.08
Bioseed	411.32	436.63	430.08	411.32	430.08
Fertiliser	345.67	819.06	903.68	345.67	903.68
Others	297.81	290.71	290.40	297.81	290.40
Unallocated	1,686.30	1,646.18	1,054.34	1,686.30	1,054.34
Total	7,768.47	7,847.85	8,142.77	7,768.47	8,142.77
D. Segment Liabilities					
Chloro-Vinyl	322.46	315.03	370.10	322.46	370.10
Sugar	466.49	637.04	688.92	466.49	688.92
Shriram Farm Solutions	126.45	104.39	87.65	126.45	87.65
Bioseed	113.89	74.86	131.59	113.89	131.59
Fertiliser	116.22	125.49	135.48	116.22	135.48
Others	305.10	284.69	247.16	305.10	247.16
Unallocated	1,625.04	1,772.12	2,376.53	1,625.04	2,376.53
Total	3,075.65	3,313.62	4,037.43	3,075.65	4,037.43

Refer note 5

STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Crores)

PARTICULARS	As at	As at
	31.03.2021	31.03.2020
	Audited	Audited
ASSETS		
Non-current assets		
(a) Property, Plant and equipment	3,237.03	3,357.76
(b) Capital work -in- progress	103.40	51.51
(c) Investment property	0.41	6.44
(d) Intangible assets	13.08	18.36
(e) Intangible assets under development	5.77	8.06
(f) Financial assets		
(i) Investments	74.79	74.79
(ii) Loans	129.75	124.01
(iii) Other financial assets	39.04	42.15
(g) Deferred tax assets (net)	3.32	60.13
(h) Other non-current assets	72.84	26.79
Total- Non-current assets	3,679.43	3,770.00
Current assets		
(a) Inventories	1,761.87	2,143.68
(b) Financial assets		
(i) Trade receivables	450.98	1,069.47
(ii) Cash and cash equivalents	840.48	524.27
(iii) Bank balances other than cash and cash equivalents (includes callable bank deposits Rs 446.08 crs; March 31, 2020 Rs Nil)	463.60	17.18
(iv) Loans	23.36	32.07
(v) Other financial assets	237.14	233.93
(c) Current tax assets (net)	41.01	40.02
(d) Other current assets	201.21	228.40
Total Current assets	4,019.65	4,289.02
Assets classified as held for sale	69.39	83.75
TOTAL- ASSETS	7,768.47	8,142.77
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share capital	31.35	31.35
(b) Other Equity	4,661.47	4,073.99
Total- Equity	4,692.82	4,105.34
LIABILITIES		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,012.17	974.66
(ii) Other Financial liabilities	50.88	97.03
(b) Provisions	243.25	240.96
(c) Other non-current liabilities	10.13	17.94
Total- Non-current liabilities	1,316.43	1,330.59
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	276.67	1,069.82
(ii) Trade payables		
- total outstanding dues of micro enterprises and small enterprises	26.44	13.14
- total outstanding dues of creditors other than micro enterprises and small enterprises	642.04	897.08
(iii) Other financial liabilities	337.68	304.81
(b) Other current liabilities	398.86	356.59
(c) Provisions	58.48	51.23
Total current liabilities	1,740.17	2,692.67
Liabilities associated with assets classified as held for sale	19.05	14.17
Total- LIABILITIES	3,075.65	4,037.43
TOTAL- EQUITY AND LIABILITIES	7,768.47	8,142.77

STATEMENT OF CASH FLOW

Particulars	Year Ended	
	March 31, 2021	March 31, 2020
	Rs. Crores	Rs. Crores
	Audited	Audited
A. Cash flow from operating activities		
Net profit after tax:	662.48	743.67
Adjustments for :		
Income tax expense recognized in profit or loss	213.29	179.63
Depreciation and amortization expense	229.86	215.05
Net gain on financial assets and liquid investments	(14.69)	(29.21)
(Profit)/Loss on sale of property, plant and equipment (including assets held for sale)	(3.48)	17.22
Provision/(reversal) for credit impaired trade receivables (net)	5.20	(22.99)
Provision for credit impaired loans and advances (net)	3.68	22.02
Provision for credit impaired other financial assets (net)	28.95	-
Provision/(reversal) for impairment in value of assets (including assets held for sale)	(5.05)	5.60
Finance costs	121.79	159.94
Interest income	(30.10)	(15.19)
Operating profit before working capital changes	1,211.93	1,275.74
Changes in operating assets and liabilities:		
Decrease/(Increase) in Trade receivables	613.43	(22.80)
(Increase) in Loans and advances	(8.51)	(21.59)
(Increase) in Other financial assets	(14.70)	(115.52)
Decrease/(Increase) in Inventories	381.81	(254.59)
Decrease in Other current/non-current assets	29.05	13.40
(Decrease) in Trade payables	(241.74)	(211.97)
Increase in Provisions	16.44	24.82
Increase/(Decrease) in Other financial liabilities	6.50	(4.08)
Increase/(Decrease) in Other current/non-current liabilities	34.46	(18.71)
Cash generated from operations	2,028.67	664.70
Income taxes paid (net of refunds)	(159.79)	(163.19)
Net cash from operating activities	1,868.88	501.51
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(249.79)	(589.57)
Purchase of intangible assets	(2.44)	(11.70)
(Increase)/Decrease in Bank deposits and current account balances with banks (Earmarked)	(0.34)	9.04
(Increase) in Callable bank deposits (having original maturity more than 3 months)	(446.08)	-
Sale of property, plant and equipment	5.15	7.12
Proceeds from asset held for sale	24.74	18.03
Decrease/(Increase) in Loans and advances to subsidiary companies	4.47	(3.80)
Interest received	18.65	14.18
Profit on sale of investments	6.21	31.27
Proceeds from sale of subsidiary	0.35	
Net cash used in investing activities	(639.08)	(525.43)
C. Cash flow from financing activities		
Proceeds/(Repayment) from/of Long term borrowings	112.84	(7.35)
Proceeds/(Repayment) from/of Short term borrowings	(792.87)	705.41
(Repayment) of loans repayable on demand from banks	(0.28)	(174.93)
Dividends paid	(85.77)	(152.83)
Corporate dividend tax paid	-	(31.41)
Principal payment of lease liabilities	(13.54)	(13.71)
Interest paid on lease liabilities	(7.89)	(9.09)
Finance costs paid	(126.08)	(131.72)
Net cash from financing activities	(913.59)	184.37
Net increase in cash and cash equivalents	316.21	160.45
Cash and cash equivalents at the beginning of the year	524.27	363.82
Cash and cash equivalents at the end of the year (excluding callable bank deposits)	840.48	524.27

Note: Cash flow statements are prepared in accordance with 'indirect method' as per IndAS 7 - 'Statement of Cash Flows'

NOTES TO STANDALONE RESULTS:

1. The Board of Directors has recommended a final dividend of Rs. 3.80/- per equity share of Rs. 2/- each, aggregating to Rs. 59.26 crores. During the year, the Company paid an interim dividend of Rs.5.50/- per equity share aggregating to Rs. 85.77 crores thereby making the total dividend of Rs. 9.30/- per share (previous year Rs. 8.20 per share) aggregating to Rs. 145.03 crores.
2. The Company has its Commercial paper listed on National Stock Exchange. The additional information pursuant to Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as applicable in respect of Commercial paper, are as follows:
 - (a) Credit Rating: CRISIL A1+ and ICRA A1+
 - (b) Outstanding amount as at March 31, 2021: Rs 50 crores
 - (c) Due dates and actual dates of repayment of principal during the quarter ended March 31, 2021

ISIN	Amount (Rs. in Crores)	Due date of repayment	Actual date of repayment
INE499A14CJ6	50.00	21-Jan-21	21-Jan-21
INE499A14CK4	50.00	10-Feb-21	10-Feb-21
INE499A14CL2	50.00	26-Mar-21	26-Mar-21
INE499A14CM0	50.00	20-May-21	Not Due

(d) Formulae used for computation of ratios given in Results are as follows:

Debt Equity : Net debt / Total Equity

Interest service coverage : Earnings ¹ / Net finance charges ²

Debt service coverage : Earnings ¹ / Net finance charges ² (+) repayment of long term borrowings (excluding prepayments) during the period

¹ Earnings = Profit before tax (+) Depreciation and amortisation (+) Net finance charges ²

² Net finance charges = Finance cost (-) interest and dividend income (-) net gain/(loss) on sale of current investments

3. In preparation of financial results for the year ended March 31, 2021, the Company has taken into account the possible impact of COVID-19 and the related internal and external factors known to the management upto the date of approval of these results to assess the carrying amount of its assets and liabilities. Accordingly, no material impact is anticipated in these financial results.
4. Some of the business segments are of seasonal nature and accordingly impact the results in the respective quarters.
5. The figures for the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures upto the third quarter of the financial year.
6. The above results were reviewed by Audit Committee and then approved by the Board of Directors in their meeting held on May 4, 2021.

Place: New Delhi
Date: May 4, 2021

For and on behalf of the Board

AJAY SHRIDHAR
SHRIRAM

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

Price Waterhouse Chartered Accountants LLP

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 (hereinafter referred to as the 'Holding Company'), its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") and its jointly controlled company (refer Note 57 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2021, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated statement of changes in equity and the consolidated cash flows statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information prepared based on the relevant records. (hereinafter referred to as "the consolidated financial statements").
2. In our opinion and to the best of our information and according to the explanations given to us, 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 accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its jointly controlled company as at March 31, 2021, of consolidated total comprehensive income (comprising of profit and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit 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 Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and jointly controlled company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by ICAI and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph 16 of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-6001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N).

Below Key Audit Matters have been reproduced from the report, of the even date, on the audit of standalone financial statements of the Holding Company.

Key audit matter	How our audit addressed the key audit matter
<p>4.1 Determination of carrying value of inventory of sugar, including related joint and other products as at the year ended March 31, 2021</p> <p>(Refer to the accompanying notes 1.4 (f), 6 and 53 forming integral part of the Consolidated Financial Statements)</p> <p>As on March 31, 2021, the Holding Company had an inventory of sugar and related products i.e., molasses, ethanol, etc. with a carrying value of Rs.1,218.53 crores. During the previous year, the Company had commenced production of ethanol at its Distillery units using a particular type of molasses (B-heavy, a product produced along with sugar).</p> <p>Sugar and B-heavy molasses have been recognised as joint products and the cost of Sugar and B-heavy molasses have been recognised as joint products and the cost of production has been allocated between these joint products based on technical estimates.</p> <p>We considered the determination of carrying value of the inventory (i.e., lower of cost and NRV) of joint products, sugar and B-heavy molasses as a Key Audit Matter given the relative size in the consolidated financial statements and significant judgement involved in analysing the relevant factors such as basis for classification of B heavy molasses as a joint product, determination of a rational basis for allocation of cost i.e., on technical estimates, between the joint products in calculating the cost of inventories and NRV determined basis minimum sale price, monthly quota, fluctuation in selling prices and the related notifications of the Government authorities.</p>	<p>We understood the design and tested the operating effectiveness of controls as established by the management in determination of cost for joint products and estimated net realizable value of inventory of sugar and related products.</p> <p>We considered various factors including technical assessment of the management, industry practice, significance of the products, manufacturing objective in determination of classification of the products as 'joint products'; the relative net realisable value of sugar and B-heavy molasses based ethanol in determination of a rational basis for allocation of cost between the joint products; and the actual selling price prevailing prior and subsequent to the year end, minimum selling price, monthly quota and other notifications of the Government of India, initiatives taken by the Government with respect to sugar industry as a whole.</p> <p>Based on the above procedures performed, the carrying value and existence of inventory of sugar and related products as at the year-end determined by the management is considered to be reasonable.</p>
<p>4.2 Assessment of impairment of investments and loans/advances given to subsidiaries</p> <p>(Refer to the accompanying notes 1.5(iii) and 53 forming integral part of the Consolidated Financial Statements and notes 3.1, 3.2, 7.4, 9, 25 and 31 of Standalone Financial Statements of the Holding Company).</p> <p>The Holding Company has given loans and advances to subsidiaries aggregating to Rs. 182.78 crores as at March 31, 2021 and has</p>	<p>We understood and tested the design and operating effectiveness of controls as established by the management in determination of appropriateness of the carrying value of investments, loans and advances.</p> <p>We evaluated the Holding Company's process regarding impairment assessment by involving</p>

<p>investments amounting to Rs. 150.86 crores in this regard. These subsidiaries have incurred loss during the year and as at the year end their net worth stands substantially eroded which indicates potential impairment of investment in those subsidiaries along with loans and advances given to such subsidiaries.</p> <p>The Holding Company has recognized impairment of Rs. 123.14 crores as at March 31, 2021 (including Rs. Nil during the year) against the above investments and loans and advances.</p> <p>We considered this a key audit matter given the relative significance of value of investment and loans and advances to the financial statements and extent of management's judgements and estimates involved such as future cash flows, discount rate, terminal value and economic growth rates etc. around the impairment assessment done by the management.</p>	<p>our valuation expert (auditor's expert) to assist in assessing the appropriateness of the impairment model including the independent assessment of the underlying assumptions relating to discounts rate, economic growth rate, terminal value etc.</p> <p>We evaluated the cash flow forecasts (with underlying economic growth rate) by comparing them to the budgets provided by the management and our understanding of the industry's external factors.</p> <p>We assessed the Holding Company's sensitivity analysis and evaluated whether any reasonably foreseeable change in assumptions could lead to impairment.</p> <p>We checked the mathematical accuracy of the impairment model and the appropriate accounting in the standalone financial statements.</p> <p>Based on the above procedures performed, we observed the management's impairment assessment to be reasonable.</p>
<p>4.3 Impact of government policies/ notifications on recognition of subsidy accruals/claims and their recoverability</p> <p>(Refer to the accompanying notes 1.4 (g)(ii), 1.5 (v) (b), 19, 29, 44.1 and 53 forming integral part of the Consolidated Financial Statements)</p> <p>During the year, the Holding Company has recognised accruals/subsidy claims amounting to Rs. 683.98 crores (net) and as at March 31, 2021, the Holding Company has receivables of Rs.153.07 crores relating to such claims which is significant to the consolidated financial statements.</p> <p>We focused on this area 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>We understood and tested the design and operating effectiveness of controls as established by management in recognition and assessment of the recoverability of the claims.</p> <p>We evaluated the management's assessment regarding reasonable certainty for complying with the relevant conditions as specified in the Notifications / policies and collections.</p> <p>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.</p> <p>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 collections against claims, the level of credit loss charged over time, provisions and reversal of provisions made.</p> <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>
<p>4.4 Appropriateness of Carrying amount of deferred tax assets relating to Minimum Alternate Tax (MAT) credit</p> <p>(Refer to the accompanying notes 1.4 (m), 1.5(iv), 4, 26, 40 and 53 forming integral part of the Consolidated Financial Statements)</p>	<p>We understood the design and tested the operating effectiveness of Holding Company's controls relating to taxation and the assessment of</p>

<p>The Holding Company has recognised deferred tax assets on the unutilised tax credits, representing Minimum Alternate Tax (MAT) paid on the accounting profit in earlier years over and above the normal taxable profit, in accordance with the provisions of Section 115JB of the Income-tax Act, 1961 and related rules. The carrying amount of MAT Credit, included under Deferred Tax Assets (net) is Rs. 393.72 crores as at the balance sheet date.</p> <p>We considered this as a Key Audit Matter as the assessment of the appropriateness of the carrying amount of deferred tax asset relating to MAT involves significant management judgement in assessing the availability of future taxable profits to offset the accumulated MAT credits, assessment of assumptions (internal / external factors) underlying the future profit projections to establish reasonable certainty around utilization of the asset.</p>	<p>carrying amount of deferred tax assets. We reviewed the Holding Company's accounting policy in respect of recognizing deferred tax assets on unutilised MAT credits.</p> <p>We evaluated whether the tax credit entitlements are legally available to the Holding Company in respect of the future years, as estimated by the management while projecting the taxable profits, considering to the provisions of Income-tax Act, 1961. We assessed the reasonableness of the assumptions underlying management's profit projections such as the growth rates in light of the relevant economic and industry indicators.</p> <p>We also assessed the sensitivity analysis applied by the Holding Company and evaluated if any change in the assumptions will lead to any material change in carrying amount.</p> <p>We checked the mathematical accuracy of the underlying calculations of the profit projections. We also evaluated the adequacy and appropriateness of disclosures made in the consolidated financial statements.</p> <p>Based on the above procedures performed, the carrying amount of deferred tax assets, including disclosure relating to MAT credit, are considered to be reasonable.</p>
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Other Information

5. The Holding 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 consolidated financial statements and our auditor's report thereon.
6. Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and the reports of the other auditors as furnished to us (Refer sub-paragraph 16 below of Other Matters paragraph below), 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

8. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group including its jointly controlled company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its jointly controlled company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its jointly controlled 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 Holding Company, as aforesaid.
9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and jointly controlled company are responsible for assessing the ability of the Group and jointly controlled company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
10. The respective Board of Directors of the companies included in the Group and of its jointly controlled company are responsible for overseeing the financial reporting process of the Group and jointly controlled company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

11. 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.
12. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. Also refer sub-paragraph 16 of the Other Matters paragraph below. 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 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 Holding Company has adequate internal financial controls with reference to the 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 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 and its jointly controlled company 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 and its jointly controlled company 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 or business activities within the Group and its jointly controlled company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the consolidated 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 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.
13. We communicate with those charged with governance of the Holding Company and jointly controlled company 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.
 14. 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.
 15. 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

16. We did not audit the consolidated financial statements of three subsidiaries, namely Bioseed Limited (having step down subsidiaries Bioseed Holdings PTE Limited, Bioseed Vietnam Limited, Bioseed Research Philippines Inc., Shriram Bioseed (Thailand) Limited), Shriram Bioseed Ventures Limited (having step down subsidiary Bioseed Research USA Inc.) and DCM Shriram Credit and Investments Limited (having step down subsidiary DCM Shriram Infrastructure Limited), and standalone financial statements of five subsidiaries, namely Bioseed India Limited, Haryali Rural Ventures Limited, DCM Shriram Aqua Foods Limited, Fenesta India Limited and Shri Ganpati Fertilizers Limited whose financial statements reflect total assets of Rs 389.91 crores and net assets of (Rs 29.82) crores as at March 31, 2021, total revenue of Rs. 117.35 crores, total comprehensive income (comprising of loss and other comprehensive income) of (Rs 0.02) crores and net cash flows amounting to Rs 11.16 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 Ind AS financial statements insofar as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act including report on Other Information insofar as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors. Also refer Notes 52(i) and 52(ii) in the attached consolidated financial statements for matters included as emphasis of matter and other matter respectively in the other auditors' report dated April 15, 2021.

Report on Other Legal and Regulatory Requirements

17. As required by Section 143(3) of the Act, 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), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.
 - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and jointly controlled company incorporated in India, none of the directors of the Group companies and jointly controlled company incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - (f) With respect to the adequacy of internal financial controls with reference to the consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, 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, if any, of pending litigations on the consolidated financial position of the Group and jointly controlled company– Refer Note 28 to the consolidated financial statements.
- ii. The Group and its joint controlled company did not have any long-term contracts including derivative contracts as at March 31, 2021 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 Holding Company and its subsidiary companies, and jointly controlled company incorporated in India.
- iv. The reporting on disclosures relating to Specified Bank Notes is not applicable to the Group for the year ended March 31, 2021.

18. The Holding Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act. The subsidiaries incorporated in India have not paid / provided any managerial remuneration to any director during the year. The provisions of Section 197 read with Schedule V to the Act are applicable only to public companies. Accordingly, reporting under Section 197(16) of the Act is not applicable to the joint venture company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

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Date: 2021.05.04
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Harinderjit Singh
Partner
Membership Number: 086994

UDIN: 21086994AAAAAJ1231
Place: Gurugram
Date: May 04, 2021

Annexure A to Independent Auditors' Report

Referred to in paragraph 17 (f) of the Independent Auditors' Report of even date to the members of DCM Shriram Limited on the consolidated financial statements for the year ended March 31, 2021

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Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to financial statements of DCM Shriram Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, including those audited by other auditors (refer paragraph 9 below) and jointly controlled company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding company, its subsidiary companies, and jointly controlled company (refer to note 57 forming integral part of the Consolidated Financial Statements), to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting 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 (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 Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 ICAI and the Standards on Auditing deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. 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 financial statements was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to 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.

Annexure A to Independent Auditors' Report

Referred to in paragraph 17 (f) of the Independent Auditors' Report of even date to the members of DCM Shriram Limited on the consolidated financial statements for the year ended March 31, 2021

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5. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to financial statements

6. A company's internal financial control with reference to 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 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 financial statements

7. Because of the inherent limitations of internal financial controls with reference to 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 financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company, its subsidiary companies and jointly controlled company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting 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.

Annexure A to Independent Auditors' Report

Referred to in paragraph 17 (f) of the Independent Auditors' Report of even date to the members of DCM Shriram Limited on the consolidated financial statements for the year ended March 31, 2021

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Other Matters

9. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to standalone financial statements of five subsidiary companies and consolidated financial statements of two subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

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Harinderjit Singh
Partner
Membership Number: 086994

UDIN: 21086994AAAAAJ1231
Place: Gurugram
Date: May 04, 2021

DCM SHRIRAM LIMITED

Regd. Office : 2nd Floor, (West Wing), Worldmark 1, Aerocity, New Delhi - 110 037
 CIN: L74899DL1989PLC034923 E-mail: response@dcmshriram.com Website: www.dcmshriram.com Tel: 91 11 42100200 Fax: 91 11 43561694

**STATEMENT OF CONSOLIDATED AUDITED FINANCIAL RESULTS
 FOR THE YEAR ENDED MARCH 31, 2021**

(Rs. in Crores)

PARTICULARS	Quarter Ended			Year Ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	Audited*	Unaudited	Audited*	Audited	Audited
Revenue from operations					
Sale of products	2,174.92	2,150.44	1,862.99	8,273.89	7,689.33
Other operating revenue	15.64	8.30	54.24	34.27	77.80
Total revenue from operations	2,190.56	2,158.74	1,917.23	8,308.16	7,767.13
Other Income	30.86	17.02	11.54	92.07	102.42
Total Income	2,221.42	2,175.76	1,928.77	8,400.23	7,869.55
Expenses					
(a) Cost of materials consumed	1,374.30	1,040.21	1,335.29	3,344.73	3,307.14
(b) Purchases of stock-in-trade	95.79	293.17	81.33	809.84	730.32
(c) Changes in inventories of finished goods, stock-in-trade and work-in-progress	(358.44)	(242.05)	(525.35)	371.04	(222.27)
(d) Employee benefits expense	187.50	188.10	180.79	732.65	735.69
(e) Finance costs	24.70	28.46	46.63	122.00	163.84
(f) Depreciation and amortisation expense	58.37	55.65	60.02	233.11	219.02
(g) Power and fuel	243.33	228.55	248.72	900.48	1,056.45
(h) Other expenses	287.37	246.95	253.29	997.21	967.35
Total expenses	1,912.92	1,839.04	1,680.72	7,511.06	6,957.54
Profit before exceptional item and tax	308.50	336.72	248.05	889.17	912.01
Exceptional Item					
Loss/Provision for loss on sale of foreign subsidiaries	-	-	0.14	-	14.76
Profit before tax	308.50	336.72	247.91	889.17	897.25
Tax expense					
- Current tax	58.79	73.67	23.82	174.28	116.92
- Deferred tax	17.81	10.50	16.22	40.99	69.74
Tax adjustment related to earlier year :					
- Current tax	(8.63)	-	-	(7.65)	(11.32)
- Deferred tax	9.29	-	0.49	9.29	2.49
Profit after tax	231.24	252.55	207.38	672.26	719.42
Share of profit of joint venture	0.48	0.90	0.18	1.73	2.78
Non-controlling interest	-	-	(6.29)	(0.71)	(5.49)
Net profit after share of profit/(loss) of joint venture and non-controlling interest	231.72	253.45	201.27	673.28	716.71
Other Comprehensive income (including joint venture)					
A (i) items that will not be reclassified to profit or loss	10.58	(0.27)	(4.74)	7.96	(17.97)
(ii) income tax relating to items that will not be reclassified to profit or loss	(3.46)	0.35	1.82	(2.41)	5.42
B (i) items that may be reclassified to profit or loss	1.23	1.22	(5.35)	0.11	(0.91)
(ii) income tax relating to items that may be reclassified to profit or loss	(0.57)	(0.41)	1.55	(1.27)	1.48
Total Comprehensive income (after tax)	239.50	254.34	194.55	677.67	704.73
Profit before interest, depreciation, tax and exceptional item (EBIDTA)	391.57	420.83	354.70	1,244.28	1,294.87
Basic/Diluted - EPS (Rs. per equity share)					
- Before exceptional item	14.86	16.25	12.92	43.17	46.91
- After exceptional item	14.86	16.25	12.91	43.17	45.96
Net worth				4,607.46	4,010.13
Debt Equity ratio				0.03	0.40
Debt service coverage ratio				6.32	4.92
Interest service coverage ratio				13.82	10.56

* Refer note 7

Segment wise Revenue, Results, Assets and Liabilities

(Rs. in Crores)

PARTICULARS	Quarter Ended			Year Ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	Audited#	Unaudited	Audited#	Audited	Audited
A. Segment Revenue					
Chloro-Vinyl	627.06	549.68	484.26	2,015.24	2,278.20
Sugar	1,020.67	656.50	838.31	3,384.53	2,521.55
Shriram Farm Solutions	64.81	394.96	74.12	858.24	761.96
Bioseed	65.78	90.74	45.32	464.18	415.85
Fertiliser	214.89	263.72	300.42	900.68	1,016.60
Others	211.88	214.77	183.33	741.17	831.91
Total	2,205.09	2,170.37	1,925.76	8,364.04	7,826.07
Less: Inter segment revenue	14.53	11.63	8.53	55.88	58.94
Total Revenue from operations	2,190.56	2,158.74	1,917.23	8,308.16	7,767.13
B. Segment Results					
Profit/(loss) (before unallocated expenditure, finance cost, Exceptional Item and tax)					
Chloro-Vinyl	176.06	177.20	81.03	518.42	651.95
Sugar	220.64	97.42	194.56	428.93	390.70
Shriram Farm Solutions	(7.58)	77.82	(8.16)	109.16	67.55
Bioseed	(39.65)	(9.32)	(15.52)	4.43	10.14
Fertiliser	1.36	36.74	73.29	59.08	79.67
Others	15.44	17.21	(6.70)	40.27	45.21
Total	366.27	397.07	318.50	1,160.29	1,245.22
Less:					
i) Finance costs	24.70	28.46	46.63	122.00	163.84
ii) Other unallocable expenditure net off unallocated income	33.07	31.89	23.82	149.12	169.37
iii) Exceptional item: Loss/Provision for loss on sale of foreign subsidiaries	-	-	0.14	-	14.76
Profit before tax	308.50	336.72	247.91	889.17	897.25
C. Segment Assets					
Chloro-Vinyl	1,814.78	1,802.16	1,862.69	1,814.78	1,862.69
Sugar	3,087.54	2,683.10	3,393.50	3,087.54	3,393.50
Shriram Farm Solutions	125.05	170.01	210.10	125.05	210.10
Bioseed	604.54	618.25	594.15	604.54	594.15
Fertiliser	345.67	819.06	903.68	345.67	903.68
Others	312.17	305.45	308.76	312.17	308.76
Unallocated	1,500.96	1,456.18	862.52	1,500.96	862.52
Total	7,790.71	7,854.21	8,135.40	7,790.71	8,135.40
D. Segment Liabilities					
Chloro-Vinyl	322.46	315.03	370.10	322.46	370.10
Sugar	466.49	637.04	688.92	466.49	688.92
Shriram Farm Solutions	126.45	104.39	88.88	126.45	88.88
Bioseed	177.16	124.34	168.75	177.16	168.75
Fertiliser	116.22	125.49	135.48	116.22	135.48
Others	306.62	286.44	249.21	306.62	249.21
Unallocated	1,627.17	1,770.77	2,378.18	1,627.17	2,378.18
Total	3,142.57	3,363.50	4,079.52	3,142.57	4,079.52

Refer note 7

STATEMENT OF ASSETS AND LIABILITIES

PARTICULARS	(Rs. in Crores)	
	As at 31.03.2021	As at 31.03.2020
	Audited	Audited
ASSETS		
Non-current assets		
(a) Property, Plant and equipment	3,266.94	3,392.40
(b) Capital work -in- progress	103.22	51.06
(c) Investment property	0.71	6.74
(d) Goodwill	78.69	81.13
(e) Other Intangible assets	13.17	18.73
(f) Intangible assets under development	5.77	8.06
(g) Financial assets		
(i) Investments		
- Investment in joint venture	26.19	24.53
- Other investments	4.06	4.25
(ii) Loans	13.56	10.26
(iii) Other financial assets	39.64	43.13
(h) Deferred tax assets (net)	0.84	56.45
(i) Other non-current assets	72.84	26.88
Total- Non-current assets	3,625.63	3,723.62
Current assets		
(a) Inventories	1,804.02	2,177.37
(b) Financial assets		
(i) Trade receivables	463.46	1,078.72
(ii) Cash and cash equivalents	870.14	543.07
(iii) Bank balances other than cash and cash equivalents (includes callable bank deposits Rs 446.08 crs; March 31, 2020 Rs Nil)	463.60	17.38
(iv) Loans	7.36	12.50
(v) Other financial assets	235.67	230.81
(c) Current tax assets (net)	39.76	38.88
(d) Other current assets	210.33	227.95
Total Current assets	4,094.34	4,326.68
Assets classified as held for sale	70.74	85.10
TOTAL- ASSETS	7,790.71	8,135.40
EQUITY AND LIABILITIES		
EQUITY		
(a) Equity Share capital	31.35	31.35
(b) Other Equity	4,616.79	4,018.39
Equity attributable to shareholders of the company	4,648.14	4,049.74
Non-controlling Interest	-	6.14
Total Equity	4,648.14	4,055.88
LIABILITIES		
Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	1,012.49	974.92
(ii) Other financial liabilities	52.07	98.75
(b) Provisions	244.72	242.49
(c) Deferred tax liabilities (net)	3.60	-
(d) Other non-current liabilities	10.13	17.94
Total- Non-current liabilities	1,323.01	1,334.10
Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	275.22	1,071.35
(ii) Trade payables		
- total outstanding dues of micro enterprises and small enterprises	28.07	13.14
- total outstanding dues of creditors other than micro enterprises and small enterprises	673.91	913.91
(iii) Other financial liabilities	338.24	305.66
(b) Other current liabilities	426.29	375.34
(c) Provisions	58.78	51.55
(d) Current tax liabilities (net)	-	0.15
Total Current liabilities	1,800.51	2,731.10
Liabilities associated with assets classified as held for sale	19.05	14.32
Total- Liabilities	3,142.57	4,079.52
TOTAL- EQUITY AND LIABILITIES	7,790.71	8,135.40

STATEMENT OF CASH FLOW

Particulars	(Rs. in Crores)	
	Year Ended	
	March 31, 2021 Rs.Crores Audited	March 31, 2020 Rs.Crores Audited
A. Cash flow from operating activities		
Net profit after tax	672.26	719.42
Adjustments for :		
Income tax expense recognized in profit or loss	216.91	177.83
Exceptional item: Loss/Provision for loss on sale of foreign subsidiaries	-	14.76
Depreciation and amortization expense	233.11	219.02
Net gain on financial assets and liquid investments	(14.43)	(29.36)
(Profit)/loss on sale of property, plant and equipment (including assets held for sale)	(3.48)	15.16
Provision/(reversal) for credit impaired trade receivables (net)	5.34	(21.98)
Provision for credit impaired loans and advances (net)	3.68	3.85
Provision for credit impaired other financial assets (net)	28.95	-
Provision/(reversal) for impairment in value of assets (including assets held for sale)	(5.05)	18.82
Finance cost	122.00	163.84
Dividend and Interest income	(28.20)	(14.14)
Operating profit before working capital changes	1,231.09	1,267.22
Changes in operating assets and liabilities:		
Decrease/(Increase) in Trade receivables	606.09	(19.23)
Decrease/(Increase) in Loans and advances	1.84	(8.15)
(Increase) in Other financial assets	(17.60)	(115.22)
Decrease/(Increase) in Inventories	365.12	(275.24)
Decrease in Other current/non-current assets	17.27	12.29
(Decrease) in Trade payables	(224.00)	(209.15)
Increase in Provisions	17.06	26.18
Increase/(Decrease) in Other financial liabilities	7.85	(4.09)
Increase/(Decrease) in Other current/non-current liabilities	43.14	(14.76)
Cash generated from operations	2,047.86	659.85
Income taxes paid (net of refunds)	(161.05)	(163.56)
Net cash from operating activities	1,886.81	496.29
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(251.44)	(593.46)
Purchase of other intangible assets	(2.38)	(11.75)
(Increase)/Decrease in Bank deposits and current account balances with banks (Earmarked)	(0.14)	8.96
(Increase) in Callable bank deposits (having original maturity more than 3 months)	(446.08)	-
Sale of property, plant and equipment	8.91	7.29
Proceeds from asset held for sale	24.59	21.65
Proceeds from sale of subsidiaries	17.51	13.51
Interest received	6.23	31.33
Profit on sale of investments	0.58	4.31
Net cash used in investing activities	(642.22)	(518.16)
C. Cash flow from financing activities		
Proceeds/(Repayment) from/of long term borrowings	112.90	(6.48)
Proceeds/(Repayment) from/of short term borrowings	(795.85)	708.41
(Repayment) of loans repayable on demand from banks	(0.28)	(174.93)
Dividends paid	(85.77)	(152.83)
Corporate dividend tax paid	-	(31.41)
Principal payment of lease liabilities	(14.31)	(15.11)
Interest paid on lease liabilities	(8.20)	(9.49)
Finance cost paid	(126.01)	(135.26)
Net cash from financing activities	(917.52)	182.90
Net increase in cash and cash equivalents	327.07	161.03
Cash and cash equivalents at the beginning of the year	543.07	382.04
Cash and cash equivalents at the end of the year (excluding callable bank deposits)	870.14	543.07

Note: Cash flow statements are prepared in accordance with 'indirect method' as per IndAS 7 - 'Statement of Cash Flows'

NOTES TO CONSOLIDATED RESULTS:

- The Board of Directors has recommended a final dividend of Rs. 3.80/- per equity share of Rs. 2/- each, aggregating to Rs. 59.26 crores. During the year, the Company paid an interim dividend of Rs.5.50/- per equity share aggregating to Rs. 85.77 crores thereby making the total dividend of Rs. 9.30/- per share (previous year Rs. 8.20 per share) aggregating to Rs. 145.03 crores.
- The standalone results are available on the Company's website www.dcmshriram.com. The particulars in respect of standalone results are as under:

Particulars (Standalone)	Quarter ended			Year ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	Total income	2,205.43	2,153.98	1,916.53	8,301.66
Profit before tax	311.27	335.82	256.60	875.77	923.30
Profit after tax	233.16	251.72	212.71	662.48	743.67
Total Comprehensive Income	240.66	251.83	208.85	669.32	733.25
Profit before interest, depreciation and tax (EBIDTA)	393.50	416.40	358.55	1,227.42	1,298.29

- The Company sold the entire equity shares in its subsidiaries Shri Ganpati Fertilisers Limited and Bioseed Vietnam Limited upto half year ended September 30, 2020. The results of these subsidiaries included in the consolidated results of the company (after elimination of inter company transactions) are as follows:

Particulars	Quarter ended			Year ended	
	31.03.2021	31.12.2020	31.03.2020	31.03.2021	31.03.2020
	Sale of products	-	-	7.71	1.83
Profit after tax	-	-	(2.52)	(4.33)	(14.73)
Net assets	-	-	13.92	-	18.31

- The Company has its Commercial paper listed on National Stock Exchange. The additional information pursuant to Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as applicable in respect of Commercial paper, are as follows:

(a) Credit Rating: CRISIL A1+ and ICRA A1+

(b) Outstanding amount as at March 31, 2021: Rs 50 crores

(c) Due dates and actual dates of repayment of principal during the quarter ended March 31, 2021

ISIN	Amount (Rs. in Crores)	Due date of repayment	Actual date of repayment
INE499A14CJ6	50.00	21-Jan-21	21-Jan-21
INE499A14CK4	50.00	10-Feb-21	10-Feb-21
INE499A14CL2	50.00	26-Mar-21	26-Mar-21
INE499A14CM0	50.00	20-May-21	Not Due

(d) Formulae used for computation of ratios given in Results are as follows:

Debt Equity : Net debt / Total Equity

Interest service coverage : Earnings ¹ / Net finance charges ²

Debt service coverage : Earnings ¹ / Net finance charges ² (+) repayment of long term borrowings (excluding prepayments) during the period

¹ Earnings = Profit before tax (+) Depreciation and amortisation (+) Net finance charges ²

² Net finance charges = Finance cost (-) interest and dividend income (-) net gain/(loss) on sale of current investments

- In preparation of consolidated results for the year ended March 31, 2021, the Company has taken into account the possible impact of COVID-19 and the related internal and external factors known to the management upto the date of approval of these results to assess the carrying amount of its assets and liabilities. Accordingly, no material impact is anticipated in these financial results.
- Some of the business segments are of seasonal nature and accordingly impact the results in the respective quarters.
- The figures for the last quarter are the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures upto the third quarter of the financial year.
- The above results were reviewed by Audit Committee and then approved by the Board of Directors in their meeting held on May 4, 2021.

For and on behalf of the Board

AJAY SHRIDHAR
SHRIRAM

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

Place: New Delhi
Date: May 4, 2021

DECLARATION

In terms of regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)(Amendment) Regulation 2016 read with SEBI circular no. CIR/CFD/CNID/56/2016 dated May 27, 2016, I hereby declare that M/s Price Waterhouse Chartered Accountants LLP, Chartered Accountants, the Statutory Auditors of the Company have given the audit report with unmodified opinion on the financial results of the Company for the year ended on March 31, 2021 (both standalone and consolidated)

For DCM Shriram Limited

AMIT
AGARWA
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BUDDHA NAGAR,
pseudoym=975d0b8e3580466a803e4a0a
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email=AMITAGARWAL@DCMSHRRAM.COM
Date:2021.05.04 15:21:10 +05'30'

(AMIT AGARWAL)

CHIEF FINANCIAL OFFICER

Date: May 3, 2021



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

Sub : Annual Disclosure by the Company identified as a Large Corporate

Ref : SEBI Circular No. : SEBI/HO/DDHS/CIR/P/2018/144 Dated 26.11.2018

1. Name of the Company: **DCM Shriram Limited**
2. CIN: **L74899DL1989PLC034923**
3. Report filed for FY: March 31, 2021
4. Details of the borrowings:
(all figures in Rs crore)

Sr. No.	Particulars	Details
1.	Incremental borrowing done in FY (a)	Rs. 200 crore
2.	Mandatory borrowing to be done through issuance of debt securities (b) = (25% of a)	Rs. 50 Crore
3.	Actual borrowings done through debt securities in FY (c)	Rs. 200 Crore
4.	Shortfall in the mandatory borrowing through debt securities, if any (d) = (b) -(c) { If the calculated value is zero or negative, Write "nil" }	Nil
5.	Reasons for short fall, if any , in mandatory borrowings through debt securities	NA

**SAMEET
GAMBHIR**

Signature
(Sameet Gambhir)
Company Secretary
011-42100345

Dated:30.4.21

**AMIT
AGARWAL**

Signature
(Amit Agarwal)
Chief Financial Officer
011-42100218

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

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

Sub : Initial Disclosure by the Company identified as a Large Corporate

Ref : SEBI Circular No. : SEBI/HO/DDHS/CIR/P/2018/144 Dated 26.11.2018

Sr. No.	Particulars	Details
1.	Name of the company	DCM Shriram Limited
2.	CIN	L74899DL1989PLC034923
3.	Outstanding borrowing of company as on 31st March/ 31st December , as applicable (in Rs cr)	Rs.803.65 Crores (March 31, 2021)
4.	Highest Credit Rating During the previous FY along with name of the Credit Rating Agency	AA (Provided by ICRA)
5.	Name of Stock Exchange# in which the fine shall be paid, in case of shortfall in the required borrowing under the framework	National Stock Exchange of India Limited

We confirm that we are a Large Corporate as per the applicability criteria given under the SEBI circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018.

**SAMEET
GAMBHIR**
R

Digitally signed by SAMEET GAMBHIR
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Date: 2021.04.30 12:14:41 +05'30'

Signature
(Sameet Gambhir)
Company Secretary
011-42100345
Dated:30.4.21

**AMIT
AGARWAL**

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NAGRA, #175458e8e1806668034601G1G Doc, cn=AMITAGARWAL@DCMSHRIRAM.COM
Date: 2021.04.30 12:16:09 +05'30'

Signature
(Amit Agarwal)
Chief Financial Officer
011-42100218

In terms para of 3.2(ii) of the circular, beginning F.Y 2022, in the event of shortfall in the mandatory borrowing through debt securities, a fine of 0.2% of the shortfall shall be levied by Stock Exchanges at the end of the two-year block period. Therefore, an entity identified as LC shall provide, in its initial disclosure for a financial year, the name of Stock Exchange to which it would pay the fine in case of shortfall in the mandatory borrowing through debt markets.

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