



DCM SHRIRAM

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

Kind Attn : Department of Corporate Communications/Head – Listing Department

Sub : Annual Report for the Financial Year 2021-22 alongwith Notice of the 33rd Annual General Meeting

Dear Sirs,

Pursuant to the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose Annual Report for the financial year 2021-22 alongwith Notice of the Annual General Meeting of the Company scheduled to be held on Tuesday, July 19, 2022 at 12:00 Noon (IST). The meeting shall be convened through Video Conferencing/ Other Audio Visual Means without the physical presence of Members at a common venue.

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

Thanking You,

Yours Faithfully,

For DCM Shriram Ltd.

**(Sameet Gambhir)
Company Secretary**



Dated: 24.06.2022

Encl: As above

DCM SHRIRAM LTD.

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



DCM SHRIRAM

Growing with trust



ANNUAL REPORT
2021-22

DCM SHRIRAM LTD.



CONTENTS

01

Corporate
Information

02

Chairman & Vice
Chairman's Statement

04

Our
Businesses

09

Financial
Highlights

10

Our Vision
& Values

11

Brief Profile of the
Board of Directors of
the Company

12

Senior Executive
Team

13

Management Discussion
and Analysis

22

Business Responsibility
Report

51

Board's
Report

62

Corporate Social
Responsibility

76

Corporate
Governance Report

85

Financial
Statements

190

Notice

CORPORATE INFORMATION

Registered Office

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

Bankers

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

Statutory Auditors

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

Board of Directors

Mr. Ajay S. Shriram
Chairman & Senior Managing Director

Mr. Vikram S. Shriram
Vice Chairman & Managing Director

Mr. Ajit S. Shriram
Joint Managing Director

Mr. K.K. Kaul
Whole Time Director

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

Mr. Pradeep Dinodia
Non-Executive Independent Director

Mr. Vimal Bhandari
Non-Executive Independent Director

Mr. Sunil Kant Munjal
Non-Executive Independent Director

Ms. Ramni Nirula
Non-Executive Independent Director

Mr. Pravesh Sharma
Non-Executive Independent Director

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

Ms. Sarita Garg
LIC Nominee

Company Secretary

Mr. Sameet Gambhir

Board Audit Committee

Mr. Pradeep Dinodia
Chairman

Mr. Sunil Kant Munjal

Ms. Ramni Nirula

Mr. Pravesh Sharma

Stock Exchanges where the Securities of the Company are Listed

National Stock Exchange of India Ltd.

Exchange Plaza, C-1, Block-G,
Bandra – Kurla Complex, Bandra (East),
Mumbai-400051.

BSE Ltd.

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001.

(It is confirmed that annual listing fee for the financial year 2022-2023 has been paid by the Company to the above Stock Exchanges.)

CHAIRMAN & VICE CHAIRMAN'S STATEMENT

The financial year 2021-22 began with the second wave of the pandemic peaking in first quarter of the year. It was a difficult period for our employees, our business associates and the entire country. During this trying time it was heartening to see that everyone rose to the occasion and extended a helping hand to those most in need. The company too put in place processes to ensure that timely support was available not just to our employees but to the communities around us. This included medical help, distributing oxygen concentrators, setting up oxygen plants, logistics and mental counselling wherever required. At the same time the government rolled out a massive vaccination drive on a scale never seen before. This brought the pandemic under control and helped restore a sense of normalcy. We would like acknowledge with gratitude and appreciation the untiring efforts of all those who made this possible.

On the economic front we witnessed two opposing trends emerge. As the pandemic abated, business activity picked up rapidly and this got reflected in high GDP growth, a record USD 400 billion plus of merchandise exports, buoyant tax collection and improved business confidence. At the same time, global inflationary pressures started to build up which got rapidly accentuated in the last quarter due to supply chain disruptions, geopolitical conflicts and the

Russia-Ukraine war. In particular, global energy prices hit new highs, fueling domestic inflation.

Our energy intensive businesses witnessed cost pressures.

Despite the above challenges the company delivered strong operating and financial results reflecting the inherent resilience of our business. The earnings were higher mainly due to enhanced margins as product prices rose substantially. Chloro-vinyl business reported strong growth, driven by volumes and improved realizations in line with international prices. Businesses like Shriram Farm Solutions and Fenesta also recorded satisfactory growth led by increased volumes, benefitting from the improvement in overall economic scenario. However earnings of sugar business declined on account of lower sugar volumes and lower availability of 'C' molasses.

The Company's total revenues from operations increased to Rs. 9,677 crores in FY22 vs. Rs. 8,212 crores last year. Chloro-vinyl business registered a growth in revenue of 79% driven on account of higher realizations for all products and higher volumes for chlor-alkali business. Revenue of sugar business declined by 27% due to lower export and domestic sugar volumes while Shriram Farm Solutions business registered an 11% growth in revenue and

Fenesta business revenue grew by 47% led by volumes and prices. Bioseed business revenue declined by 13% on account of reduced volumes.

Profit before depreciation, interest and tax (PBDIT) improved to Rs.1,859 crores, up approximately 51% over last year. The improvement was driven by better prices and volumes in Chloro-vinyl and better volumes in Farm solutions. Fenesta earnings were also better. Profits in Sugar business were lower due to lower volumes. Bioseed India business was impacted by lower volumes and inventory provisioning. Overall PBDIT margins improved to 19% from 15% last year.

Net Profit for FY22 was up by 58% to Rs.1049 crores from Rs.662 crores in FY21. Net Debt as on March 31, 2022 stood at Rs. 4 crore vis-à-vis Rs. 135 crore as on March 31, 2021. The strong balance sheet has encouraged us to undertake substantial capital investment to facilitate future growth of the company.

Some of the significant expansion plans include, increase in caustic soda capacity by 850 TPD and flakes capacity by 600 TPD, add Hydrogen Peroxide facility with a capacity of 52500 TPA, install Epichlorohydrine (ECH) facility with a capacity of 51000 TPA and Anhydrous Aluminum Chloride capacity of 32850 TPA.



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



(Vikram S. Shriram)
Vice Chairman & Managing Director



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

Sugar projects relating to 120 KLD multi-feed distillery at Ajbapur, increased crushing capacity at Ajbapur, and Hariawan Refinery Expansion (8000 TCD) are all progressing as per schedule.

Under our CSR initiatives, COVID-19 relief measures were further enhanced during the year. We followed a four-pronged strategy to mitigate the devastating impact of the second wave:

1. Augmented critical supplies to Government Hospitals – Sodium Hypochlorite, Hand Sanitizer, PPE Kits, N95 Masks etc.

2. Stepped up vaccination hesitancy campaign and capacity building of rural healthcare workers

3. Facilitated supply of critical needs such as oxygen by installing oxygen plants / distributing oxygen concentrators

4. Focused intervention with information, education and communication (IEC) campaign for creating awareness.

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

With best wishes,

OUR BUSINESSES



CHLORO-VINYL BUSINESSES:

Chlor- Alkali:

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

captive power. The company's caustic soda capacity at Bharuch is 1345 TPD and at Kota is 524 TPD.

- ii. Vinyl Business: A highly integrated business, located at the Kota plant, it involves manufacturing of PVC resins and Calcium Carbide with captive production of Acetylene, Chlorine and Coal based power. Company's raw carbide capacity stands at 340 TPD and PVC capacity stands at 220 TPD

SUGAR

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



AGRI-INPUT BUSINESSES:

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



OTHER BUSINESSES

I. Fenesta Building Systems manufactures uPVC windows and door systems under the brand “Fenesta”. The business also offers System Aluminum windows. Fenesta offers complete solutions in windows and doors starting from Design, Fabrication to Installation at the customer's site. As a part of its marketing initiatives, the business has set up Fenesta



branded showrooms in multiple cities across India.

ii. Cement: The Company's Cement business is located at its Kota plant with a manufacturing capacity of 4 lakh MT. The cement business leverages the waste generated from the Calcium Carbide production process to produce cement.

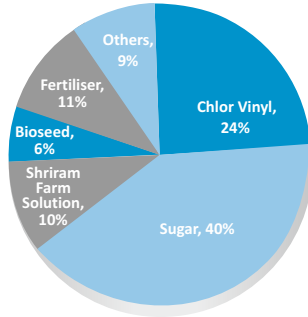
iii. Polytech: The company's polytech business through its 100% subsidiary is located at its Kota manufacturing complex with a PVC compounding capacity of 32,564 MT / Annum

iv. HariyaliKisaan Bazaar: The Company had discontinued the retail operations few years back except for sale of fuel, which is also in the process of being rationalized.

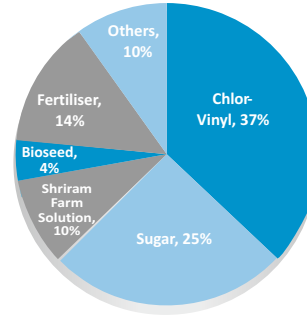


Business Mix

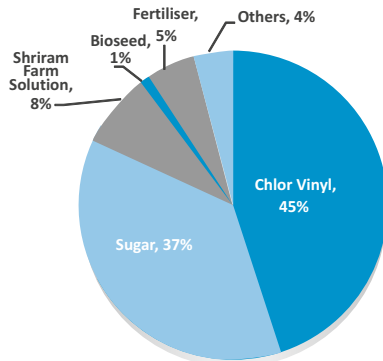
Segment Revenue (FY'21)



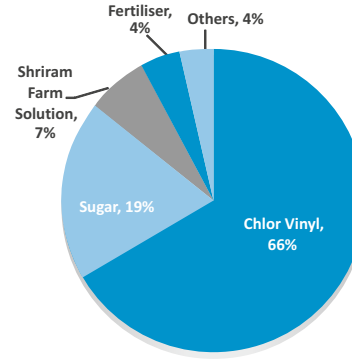
Segment Revenue (FY'22)



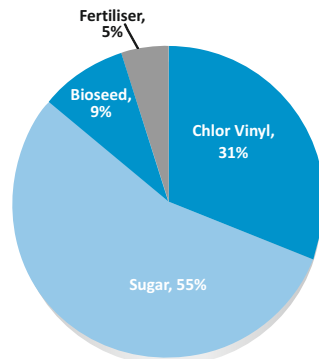
Segment PBDIT (FY'21)



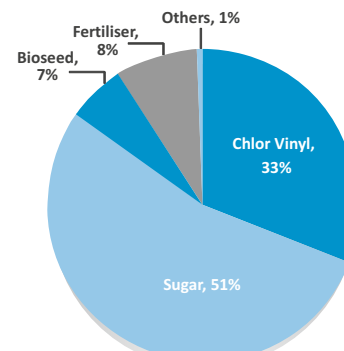
Segment PBDIT (FY'22)



Segment Capital Employed (FY'21)



Segment Capital Employed (FY'22)



Financial Highlights

(Rs. Crores)

Financial Highlights										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Net Revenue										
- Own Products	3833.7	4172.1	3913.1	3719.7	4514.8	5778.9	6866.5	6722.8	7226.9	8692.6
- Traded	1683.2	1986.9	1693.2	2014.5	1242.9	1079.2	876.8	966.5	1047.0	1102.4
- Other Operating Income	22.0	23.2	32.9	46.3	30.8	42.4	27.8	77.8	34.3	54.4
Net Revenue from operations	5538.9	6182.2	5639.2	5780.5	5788.5	6900.5	7771.1	7767.1	8308.2	9849.4
PBDIT	574.1	558.9	450.3	545.6	817.9	1091.0	1456.3	1249.9	1244.3	1888.3
Finance Cost	154.8	148.6	111.8	85.4	71.4	83.0	118.9	163.8	122.0	85.4
PBDT	419.2	410.3	338.6	460.2	746.4	1008.0	1337.4	1131.0	1122.3	1802.9
Depreciation & Amortisation	146.8	137.9	110.2	98.0	113.7	140.7	157.2	219.0	233.1	238.0
PBT	272.5	272.4	228.4	362.3	632.7	867.3	1180.2	912.0	889.2	1565.0
Exceptional Items	(53.6)	-	-	-	-	-	-	(14.8)	-	-
Profit After Tax (after share of profit/(loss) of joint venture and minority interest)	202.9	242.4	210.8	301.8	551.7	669.6	905.5	716.7	673.3	1067.4
Cash Profit*	406.3	360.4	318.8	397.0	705.6	864.5	1091.8	1025.4	955.7	1318.5
Share Capital - Equity	33.3	32.8	32.6	32.6	32.6	32.6	31.4	31.4	31.4	31.4
Net Worth	1495.4	1686.6	1858.5	2093.1	2529.8	2987.0	3482.1	4010.1	4607.5	5467.7
Long Term Loans	836.7	746.4	421.0	337.2	565.6	621.5	1072.2	1078.9	1176.4	1065.2
Short Term Loans	720.4	430.9	338.9	727.1	508.3	134.1	537.9	1071.4	275.2	443.7
Total Loans (Gross)	1557.1	1177.3	759.8	1064.3	1073.9	755.6	1610.1	2150.2	1451.7	1508.8
Total Loans (Net)	1454.5	890.5	666.8	1040.3	874.3	621.4	1227.7	1606.8	135.0	4.2
Total Assets	4751.2	4852.3	4416.7	5007.1	5573.9	5651.7	7136.4	8135.4	7790.7	9370.9
Earnings per share (Rs.) **	15.3	14.6	13.0	18.6	34.0	41.2	57.1	46.0	43.2	68.5
Dividend per share (Rs.)**	1.6	2.0	2.2	3.2	5.8	8.2	9.8	8.2	9.3	14.7

Ratios										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Return on Net Worth (%)	14.4	15.2	11.9	15.3	23.9	24.3	28.0	19.1	15.6	21.2
PBDIT to Net Revenue (%)	10.4	9.0	8.0	9.4	14.1	15.8	18.7	16.7	15.0	19.2
Return on Capital Employed (%)	13.5	14.0	12.4	16.9	22.6	30.5	35.2	22.5	20.2	33.7
Total Loans (Net) / PBDIT	2.5	1.6	1.5	1.9	1.1	0.6	0.8	1.3	0.1	0.0
Total Loans (Net) / Net Worth	1.0	0.5	0.4	0.5	0.3	0.2	0.4	0.4	0.0	0.0

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

OUR VISION

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

OUR VALUES

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

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

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

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

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

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



Brief Profile of the Board of Directors of the Company

Mr. Ajay S. Shriram, Chairman & Senior Managing Director (DIN: 00027137), is a Director of the Company since 24.07.1989. He is the Chairman of Corporate Social Responsibility Committee & Board Finance Committee, and, a Member of Nomination, Remuneration & Compensation Committee and Stakeholders Relationship Committee of the Company. He graduated in Commerce from Sydenham College, University of Mumbai and later attended the Programme for Management Development at the Harvard Business School, U.S.A. He has been conferred with Degree of Doctor of Letters (Honoris Causa) by BML Munjal University, Gurgaon (Haryana). He is the Chairman of the Governing Body of Shri Ram College of Commerce (SRCC) and Chairman of the Board of Governors of Indian Institute of Management (IIM), Sirmaur (H.P.). He is also on the Board of CSEP (Centre for Social and Economic Progress) Research Foundation. He is also Emeritus Director of The Fertilizer Association of India. He is the Council Member of National Sports Development Fund, Ministry of Youth Affairs & Sports, Government of India and a Member of India-Japan Business Leaders' Forum (JBLF). He is a Member of Uttar Pradesh State Investment Promotion Board. He was a Member of the Board of Governors of Indian Institute of Corporate Affairs (IICA). He has been nominated as a Member of Grand Jury of 2nd National CSR Award 2020 constituted by Ministry of Corporate Affairs, Government of India. He has been the President of Confederation of Indian Industry (CII) (2014-15) and the President & Chairman of International Fertilizer Industry Association (IFA), Paris (2009-11).

Mr. Vikram S. Shriram, Vice Chairman & Managing Director (DIN: 00027187), is a Director of the Company since 22.05.1990. He is the Member of Corporate Social Responsibility Committee, Stakeholders Relationship Committee and Board Finance Committee of the Company. He graduated in Commerce with Honours from St. Xavier's College, Kolkata and is a Fellow Member of The Institute of Chartered Accountants of India.

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

Mr. K.K. Kaul, Whole Time Director (DIN: 00980318), is a Director of the Company since 02.07.2014. He is the Chairman of Board Risk Management Committee and a Member of Board Finance Committee of the Company. He joined the Company in 1980 as Asst. Plant Superintendent. He is a First class First (Honors) graduate in Chemical Engineering and has been awarded Doctorate Degree in Human Letters (Honoris Causa) by Vardhaman Mahavir Open University, Kota. He has done an Integrated Management Development course at Administrative Staff College, Hyderabad and the Executive Programme from Darden Graduate School of Business Administration, University of Virginia, USA. He has 45 years of experience.

Mr. K.K. Sharma, Whole Time Director (EHS) (DIN: 07951296), is a Director of the Company since 20.11.2017. He is the Member of Board Risk Management Committee of the Company. He is a 1st rank holder and Gold medalist in Chemical Technology from UDCT [now Institute of Chemical Technology (ICT), Mumbai]. He also possesses Diploma in Safety from Regional Labor Institute, Kanpur and also NEBOSH IGC in Occupational Health & Safety with distinction. He has also undergone GRI certified training on Sustainability Reporting Standards and is a CII Certified Sustainability Assessor. He is also a Certified Corporate Director by Institute of Directors (IOD). He started his career with Gharda Chemicals as Trainee Engineer in manufacturing and worked with Ranbaxy, Jubilant and Syngenta. He is a member of the CII's National Committee on Environment, IBBI Advisory group and other committees. He has more than 33 years of experience in Agrochemicals and Pharmaceutical companies in manufacturing, EHS (Environment, Health and Safety) and Sustainability.

Mr. Pradeep Dinodia, is a Non-Executive Independent Director (DIN: 00027995) of the Company. He is on the Board of the Company since 18.07.1994. He is the Chairman of Stakeholders Relationship Committee, Audit Committee and Nomination, Remuneration & Compensation Committee of the Company. He graduated in Economics with Honours from St. Stephens College, Delhi University and obtained his Law Degree from the same University. He is a Fellow Member of The Institute of Chartered Accountants of India and Chairman and Managing Partner in the Delhi-based Chartered Accountancy firm M/s. S.R. Dinodia & Co. LLP. He is Non-Executive Director and Chairman of Shriram Pistons & Rings Limited. He is a Non-Executive Director of Hero MotoCorp Limited. He is a Non-Executive Independent Director in Hero FinCorp Limited. He is the Chairman of Risk Management Committee and Corporate Social Responsibility Committee of Shriram Pistons & Rings Limited. He is the Chairman of Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Asset Liability Management Committee and IT Strategy Committee of Hero FinCorp Limited. He is the Chairman of Stakeholders Relationship Committee and Risk Management Committee of Hero MotoCorp Limited. He has co-authored a book "Transfer Pricing Demystified".

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

Mr. Sunil Kant Munjal, is a Non-Executive Independent Director (DIN: 00003902) of the company, has been on the Board of the company since May 13, 2003. He is also a member of the Audit Committee, Corporate Social Responsibility Committee and the Nomination, Remuneration & Compensation Committee. Mr. Munjal is the Chairman of Hero Enterprise with interests in insurance distribution, steel-making, real estate and corporate training. He has set up the Serendipity Arts Foundation which aims to revive patronage in the arts and chairs the board that runs the Doon School. He sits on the boards of IIM Ahmedabad (IIMA), ISB, and SRCC. He has co-founded BML Munjal University (BMU) and is President of the Dayanand Medical College and Hospital, Ludhiana. He is a former president of the Confederation of Indian Industry (CII) and the All India Management Association (AIMA) and continues to be involved with them. He also chaired the board of MEPSC, a government and industry supported skills' initiative to create a professionally competent workforce for India. He has been on the Prime Minister's Council on Trade & Industry. He was a member of the Narasimham Committee that scripted India's banking and financial sector reforms. He was also on the Taskforce on Indirect Taxes (Kelkar Committee) that charted India's first roadmap for indirect taxes. India Today chose him as one of the "Faces of the Millennium" for business. He has also won the Jehangir Ghandy Medal for Social and Industrial Peace. Punjab University conferred on him the Udyog Rattan Award for role in the state's industrial development. He also received the GlobScot Award from the Scottish Government in 2012 for being one of the prominent employers in Scotland. He has also chronicled the incredible saga of Hero's founders in a book- *The Making of Hero*, which featured amongst India's prominent bestsellers for several months and won the *Business Book of the Year 2020* Award at Tata Literature Live! Festival.

Ms. Ramni Nirula, is a Non-Executive Independent Director (DIN: 00015330) of the Company. She is on the Board of the Company since 03.02.2015. She is a Member of Audit Committee of the Company. She retired as Sr. General Manager of ICICI Bank Ltd. Beginning her career with erstwhile ICICI Ltd. in 1976 in project appraisal division, she has held various leadership positions since then. She was a part of top management team instrumental in transforming ICICI Bank from a term lending institution into technology led diversified financial services group with a strong presence in India's retail financial services market. Ms. Nirula also held key position as Managing Director & CEO of ICICI Securities Limited, the Investment Banking arm of ICICI Bank Limited. She also headed the Corporate Banking Group for ICICI Bank. In addition, she was also responsible for setting up the Government Banking/Corporate Agri Group based out of New Delhi within the bank. She has more than 40 years of experience in the financial services sector.

Mr. Pravesh Sharma, is a Non-Executive Independent Director (DIN: 02252345) of the Company. He is on the Board of the Company since 09.08.2016. He is a Member of Corporate Social Responsibility Committee and Audit Committee of the Company. He is a former IAS officer. Since taking voluntary retirement from the IAS, he has promoted two start-ups, which are attempting to build sustainable and inclusive agri value chains. He has an overall working experience of more than 34 years in food security, agriculture, rural finance, rural development and natural resources management.

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

Ms. Sarita Garg, a nominee of Life Insurance Corporation (LIC), is a Non-Executive Director (DIN: 08926869) of the Company. She is on the Board of the Company since 20.10.2020. She is a science graduate from Delhi University & PGEP (affiliated to IIM Ahmedabad) and currently associated with LIC of India as an Executive Director and she has a total experience of around 32 years. She has worked in various departments and has a rich experience of working in Group Insurance and Information Technology.

Senior Executive Team

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

Mr. Ajay S. Shriram

Chairman & Senior Managing Director

Mr. Vikram S. Shriram

Vice Chairman & Managing Director

Mr. Ajit S. Shriram

Joint Managing Director

Mr. K.K. Kaul

Whole Time Director

Mr. K.K. Sharma

Whole Time Director (EHS)

Mr. Aditya A. Shriram

Executive Director

Mr. R.L. Tamak

Executive Director & CEO – Sugar Business

Mr. Shekhar Khanolkar

Executive Director & CEO – Chemicals

Mr. Premdas Satsangi

Executive Director – Energy & Projects

Dr. Paresh Verma

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

Mr. Vinoo Mehta

Executive Director & Resident Head - Kota

Mr. Saket Jain

Executive Director & Business Head – Fenesta Building Systems

Mr. Sanjay Chhabra

Executive Director & Business Head – Shriram Farm Solutions

Mr. Sreekanth Chundi

President & Business Head – Shriram Bioseed India

Mr. Ankush Kaura

Chief Information Officer

Mr. Amit Agarwal

CFO

Mr. Sandeep Girotra

CHRO

Mr. Sridhar Kumar Namburi

Head – Internal Audit & Risk Management

Mr. Sameet Gambhir

Company Secretary

Ms. Aman Pannu

Vice President – Corporate Communication & CSR

Mr. Bineet Khurana

Vice President - Legal

Subsidiary

Mr. Devadatta Sirdeshpande

Country Head – Bioseed Research Philippines Inc.

Management Discussion and Analysis

Performance Review

In the current financial year, the company witnessed robust operating and financial performance, despite the challenges arising from second and third waves of Covid-19, supply chain disruptions and high energy prices. Russia-Ukraine conflict is adding to uncertainties. Product prices, especially that of Chloro-vinyl supported strong performance.

Chloro-Vinyl business reported strong growth driven by higher realizations for Chlor-alkali as well as Vinyl products in line with international prices. Volumes were higher in Chlor-alkali business. Businesses like Shriram Farm solutions and Fenesta also witnessed satisfactory growth in volumes, benefiting from improvement in overall economic environment. Sugar business, however, witnessed lower earnings driven by lower volumes of Sugar, lower availability of Molasses for ethanol during off season and margins during current season were impacted owing to higher costs of Sugar cane and lower sugar recovery.

Our Balance sheet is strong as demonstrated by robust financial ratios. Operating Cash flows are comfortable which enables us to invest in continuous growth as well as manage business uncertainties. We have multiple investment projects in Chemicals and Sugar Business which are under implementation and will be completed over next fifteen months. These will add to our operating and financial strength going forward.

✦ **Total Revenue** from operations (Excl. excise duty) stood at Rs. 9627 crore vs Rs. 8308 crore last year.

- **Chloro-vinyl:** Chemicals revenue was higher by 95% at Rs. 2498 Crores vs. Rs. 1283 Crores. in FY '21 driven mainly by higher realizations and volumes vis-à-vis last year. Improvement in volumes was owing to improvement in market scenario towards normal as compared to last year which witnessed subdued demand and realizations due to the covid-19 pandemic especially in first half of FY'21. Realizations were also higher due to global supply chain disruptions, higher energy prices and improved demand, particularly in 2nd half of the year FY'22. Vinyl business revenue was also driven by higher realizations and was higher by 53% at Rs. 1118 Crores. Overall revenue for Chloro-Vinyl was 79% higher at Rs. 3616 Crores.
- **Sugar business** revenue declined by 27% to Rs. 2474 crores vs. Rs. 3385 Crores in FY '21. The decline was attributable mainly to lower exports, which were led last year by govt. export quota and incentives that contributed substantially to the revenue in FY '21. Revenue was also impacted due to lower domestic dispatches, a result of lower allocation under release mechanism.
- **Agri Input businesses'** – Shriram Farm Solution: revenue was higher by 11%, led by higher volumes in seed and plant nutrition verticals. Fertilizer business revenue was higher by 47%, due to higher gas prices. Revenue for Bioseed business was lower by 13% driven by volumes. Overall, Agri inputs business revenues were up 21% at Rs. 2682 crores.
- **Fenesta Business** is our B2C business wherein, revenues were higher by 47% to Rs. 529 crore, led by higher volumes and prices. Last year, the market was adversely impacted during 1st wave of Covid-19 in Q1 FY'21.

✦ **Profit before depreciation, interest and tax (PBDIT)** increased by ~52% to Rs. 1888.3 crore vs Rs. 1244.3 crore last year:

- **Chemicals Business** PBDIT stood at Rs. 875 crores, an increase of ~168% from last year, being driven mainly by a substantial improvement in margins due to higher realizations that outpaced the increase in input rates especially the energy prices and on account of higher volumes which were impacted in FY '21 by Covid-19 related stress in economic environment.
 - **Plastics business** PBDIT stood at Rs. 493 Crores, an increase of ~72% from last year driven primarily by higher realizations for both PVC and packed carbide, in line with global commodity prices which remained at higher levels throughout the year.
 - **Sugar Business** PBDIT stood at Rs. 400 crore, a decline of ~20% from last year mainly due to lower volumes and lower capacity utilisation in Distillery business due to lower availability of molasses in the off season. In the current season, the costs were higher across the state of U.P due to higher cane cost and lower recoveries.
 - **Shriram Farm Solutions** PBDIT improved to Rs. 136 Crore vs Rs. 110 Crore last year led by better volumes.
 - **Fertiliser Business'** PBDIT improved, while PBDIT for Cement business declined.
 - **Fenesta business'** PBDIT was also higher at Rs. 84 crores vs. Rs. 43 crores last year as business environment improved leading to higher volumes.
 - **Bioseed Business** witnessed a significant decline in earnings led by lower volumes as well as provisions / write offs with respect to Seed Inventory.
 - Overall PBDIT margins improved to 19.6% from 15.0% last year.
- ✦ **Finance Costs** – Finance costs during FY '22 decreased by 30% to Rs. 85 crores.
- ✦ **Tax** outgo was Rs. 264 crores on account of MAT credit available.
- ✦ **PAT** increased to Rs.1067 crore, up 59% from Rs. 673 crore in FY 21.
- ✦ **EPS** for the year at Rs. 68.4 up from Rs. 43.2 in FY 21.
- ✦ **Net Debt** as on March 31, 2022 stood at Rs. 4 crore vis-à-vis Rs. 135 crore as on March 31, 2021.
- ✦ **Capital Expenditure:** In line with our strategic direction of strengthening our businesses through scale, integration and cost efficiency, we are implementing various projects in our Chemicals and Sugar business. The progress of the projects is as below:
- **Projects under implementation in Chemicals Business:**
 - Hydrogen Peroxide facility with a capacity of 52500 TPA is progressing as per schedule, expected to be completed by Q4 FY 23 / Q1 FY 24.
 - Epichlorohydrine (ECH) facility with a capacity of 51000 TPA along with Glycerin purification facility is progressing as per schedule, expected to be completed by Q4 FY 23 / Q1 FY 24.

- Expansion of Anhydrous Aluminum Chloride capacity by 32850 TPA is progressing as per schedule. All reactors will be commissioned in phases by March'23.
- The 700 TPD caustic soda plant along with 500 TPD flaker has been re-calibrated and we will be expanding our caustic capacity at Bharuch by 850 TPD and Flakes capacity by 600 TPD, expected to be commissioned by Q4 FY '23 / Q1 FY '24.
- 120 MW coal based new power plant is underway and is expected to be commissioned in Q3 FY'23.
- Hydrogen Compressors with total capacity of 60398 NM3 per day. Implementation progressing as per schedule to be completed by Q1 FY'24.

These projects have witnessed cost escalations given the increase in commodity prices over last one year and are getting further escalated with the Russia-Ukraine conflict.

Projects under implementation in sugar business:

- 120 KLD multi-feed distillery at Ajbapur to be commissioned by Q3 FY '23.
- Crushing capacity Expansion at Ajbapur (3000TCD) along with full Conversion to Refined sugar (13500 TCD) and Additional Grain Attachment (260 KLD) is to be commissioned by Q3 FY '23.
- Hariawan Refinery Expansion (8000 TCD), to be commissioned by Q3 FY '23.

Projects Completed in FY 22 at an investment of ~ Rs. 39 crores:

- Electrolysers cell units, cathode and anode replacement at Kota, commissioned in Q4 FY '22 at a cost of Rs. 39 crores. This will increase the capacity by 26 TPD.

We believe these steps will significantly strengthen our businesses.

Business – Wise Performance Review and Outlook-

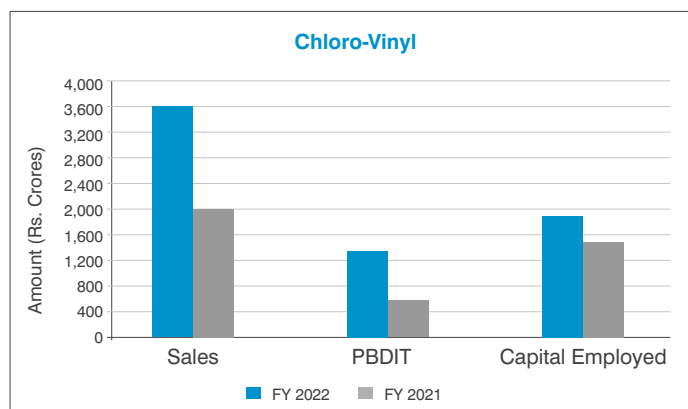
Chloro – Vinyl Businesses

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

Business Performance

The Revenue, PBDIT and Capital employed for this business for FY 22 is as follows:

Particulars	FY 22 (Rs/Crores)	FY 21 (Rs/Crores)
Revenue	3616.5	2015.2
PBDIT	1368.2	613.7
Capital employed	1912.1	1492.3



Chloro-Vinyl segment's revenue stood at Rs. 3,616 crore as compared to Rs. 2,015 crore in FY '21. The increase was primarily a result of higher prices for chlor-alkali as well as vinyl products and was supported further by higher chlor-alkali volumes which were affected last year due to subdued demand due to the Covid-19 pandemic. PBDIT was higher by 123% led mainly by improvement in margins due to higher prices.

Chlor-Alkali

Chlor-Alkali (Chemicals) business produces core chemicals viz. Caustic Soda, Chlorine, Hydrogen, Hydrochloric acid and Stable Bleaching Powder, which are widely used in manufacturing processes of other industries. The growth of this business is largely correlated to the GDP growth in the country. Caustic Soda and Chlorine are produced as Co-products in the ratio of 1:0.88. Caustic Soda is used in Alumina, Paper, Textiles, Detergents, Pharmaceuticals industries etc. and Chlorine is used in Polymers, Dyes & inks, Agro-chemicals, Water treatment etc. The prices of Caustic Soda are influenced by international prices as well as domestic demand supply factors. Chlorine Prices are driven only by local demand supply factors.

Key Financial Ratios Standalone

Ratios	Mar'22	Mar'21	Remarks
Operating Profit Margin (%)	18.3%	13.9%	Higher profits due to higher prices for Chloro-Vinyl products and higher volumes
Net profit Margin (%)	10.9%	8.1%	Higher net profits due to higher operating profits
Interest Coverage Ratio (Revised as per new definition in results)	41.7	13.6	Due to higher PBDIT and lower finance cost in FY'22 on account of lower Debts
Current Ratio	2.2	2.3	
Debt Equity Ratio	0.01	0.04	Due to Lower Debt
Inventory Turnover	5.8	5.1	Higher revenue on similar levels of average inventory
Debtors Turnover	13.7	8.5	Lower average receivables on increased revenue
Return on Net Worth (%)	20.5%	15.0%	Improvement owing to higher profits

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

Business Performance

The Revenue, PBDIT and Capital Employed for this business for FY'22 along with quantitative data are as follows:

Particulars	FY 22 (Rs/Crores)	FY 21 (Rs/Crores)
Revenue	2497.9	1,283.0
PBDIT	875.4	326.4
Capital employed	1651.2	1,240.6

Year	Sales (MT)	Realizations (Rs./MT)
FY 22	581558	34,703
FY 21	473042	20,404
% Change	22.9	70.1

Chloro-alkali revenue increased by 95% YoY supported by an improvement in business environment which was impacted last year due to the pandemic. Improved demand helped to achieve higher volumes even at higher prices which were influenced by high global prices especially in second half of the year. Even though there was a considerable increase in costs led by energy and salt prices, PBDIT improved as realizations improved by a greater percentage leading to higher margins.

Industry Overview and Outlook

The Chloro- Alkali industry in India has 35 operating units with a combined installed capacity of ~4.8 million tons per annum of Caustic Soda. The Top four players comprise about 62% of the total installed capacity. The domestic demand for Caustic Soda in 2022-23 is estimated to be about 3.8 million tons per annum, grew by ~8% partially due to push on post COVID consumption. In the long run the demand is expected grow in line with long term normal levels of ~5%. While demand of caustic has registered higher growth however chlorine has not increased in same proportion due to lower growth in downstream industries. Both caustic and chlorine are considered as the building blocks of various industries and the demand of both the products are linked to the Indian GDP growth. As GDP is expected to register a higher growth, the demand of these products is also expected to increase. There are significant capacity additions of about 0.9 - 1 million tons per annum in pipeline over next 12-15 months.

Our Strategy

Company remains committed to capitalize on the growing demand in the chemicals sector supported by the strong fundamentals of the economy, by constantly enhancing the production capacities and building downstream capabilities. The Company is making significant investments in this business as stated above with the objective of diversifying the product portfolio, adding value to products such as Chlorine and

Hydrogen through forward integration and optimising costs.

We believe that the above investments demonstrate our firm belief in future of Indian economy and the chemicals business as a whole. Going forward we will continue exploring the possibilities to increase the portfolio of downstream and allied products to strengthen our capability to manage volatility associated with commodity business and further strengthen the business.

Plastics (Vinyl)

The Plastics business involves manufacturing of PVC Resins and Calcium Carbide. The company is one of the oldest manufacturers of PVC Resins in the country with over five decades of experience in the business. The Plastics business is an integral part the Chloro-Vinyl manufacturing facility at Kota with backward integration in terms of own Captive Power, Chlorine and Calcium Carbide.

DCM Shriram Ltd. is the only company in the country which manufactures PVC Resin through the Calcium Carbide route as against the Ethylene route which is being followed by most of the countries worldwide with exception of China.

PVC Resin is a synthetic resin made from the polymerization of vinyl chloride with 57% chlorine and 43% carbon content. It is the third largest plastic in production and finds uses in a wide variety of products like pipes and fittings, profiles and tubes, windows and doors, sidings, wires and cables, film and sheets and other moulded products and floorings. The fact that PVC products can last up to 100 years; can be recycled and can provide products with good quality to price ratio, greatly reduces life cycle costs of PVC.

In India, more than 70% of PVC Resin gets consumed for producing PVC pipes & fittings for use in agriculture & construction as against ~45% for the world. The other key drivers for PVC Resin is the growth coming from applications other than pipes such as packaging, profiles, pharmaceuticals segments, etc. which are expected to account for a higher share of the demand for PVC Resins in the years to come. Calcium Carbide is used in the production of dissolved acetylene gas and desulphurizing (DS) compound besides production of PVC resin.

Business Performance

The Revenue, PBDIT and Capital employed for this business for FY 22 along with the quantitative data is as follows:

Particulars	FY 22 (Rs/Crores)	FY 21 (Rs/Crores)
Revenue	1,118.6	732.2
PBDIT	492.8	287.2
Capital employed	260.9	251.7

Year	PVC Resins		Carbide	
	Sales (MT)	Realizations (Rs./MT)	Sales (MT)	Realizations (Rs./MT)
FY 22	67,193	1,34,404	17,309	1,03,655
FY 21	63,839	98,692	12,409	62,459
% Change	5.3	36.2	39.5	66.0

The business revenue was higher by ~ 53% y-o-y, while PBDIT increased by ~72 % y-o-y. Revenue was higher primarily on account of higher

realizations for both, PVC resin as well as calcium carbide. Prices for both the products touched all-time highs during the year. Volumes were also higher vis-à-vis last year due to market moving towards normalization as against last year which was impacted by the pandemic.

Higher realizations helped to improve margins leading to higher PBDIT. Margins improved as improvement in realizations outpaced the increase in costs, which also touched multi-year highs led by an increase mainly in coal and carbon material rates.

Industry Overview & Outlook

The PVC Resin installed capacity in India currently stands at ~1.5 million metric tons per annum. The domestic demand for PVC, remained flat at ~2.8 million metric tons in FY'22 impacted by the Covid-19 pandemic. PVC market in India logged a CAGR of 6% from FY 2015-20 led by growth in the pipes and fittings segment. The Calcium Carbide demand in India on the other hand registered marginal growth of 3-4% to ~56 KT during FY'22. The imports bridge the gap between demand & domestic supply in case of both PVC resin and Calcium Carbide. While imports still account for about 55% of domestic consumption in case of PVC resin, their share has come down to about one-third of the total demand in case of Calcium Carbide in FY'22 owing to higher sales by local manufacturers amid high prices and lower import arrivals in India. With DCM Shriram accounting for one-third of the domestic Calcium Carbide market share, the Calcium Carbide market in India is seen to be primarily driven by the Acetylene segment given the decline in the DS compound segment over the years.

With Govt. push on capital expenditure, steady rise in demand for PVC is expected in the downstream agriculture, building & construction and infrastructure segments. India being one of the fastest growing large markets is likely to remain at the forefront of the global PVC markets with high dependence on imports to feed its economic development.

Tight global PVC supply amid a series of unplanned outages heavily impacted PVC resin availability worldwide during the year even as demand improved globally. Reduced Calcium Carbide plant operating rates in China amid high global PVC prices and high shipping costs & delays led to upward movement of International Carbide prices from China to record highs as well.

Our Strategy

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

Sugar

DCM Shriram is a major player in the domestic sugar industry based out of the State of Uttar Pradesh. The company has four integrated sugar complexes located in central U.P. at Ajbapur (10,500 TCD), Rupapur (6,500 TCD), Hariawan (13,000 TCD) and Loni (8,000 TCD) with a total crushing capacity of 38,000 TCD supported by power cogeneration capacity of 141 MW of which 84 MW of power can be exported. These four units are fully integrated with two distilleries at Ajbapur (200 KLD) & Hariawan (150 KLD) with power cogeneration capacity of 14 MW, of which 3.5 MW is exportable

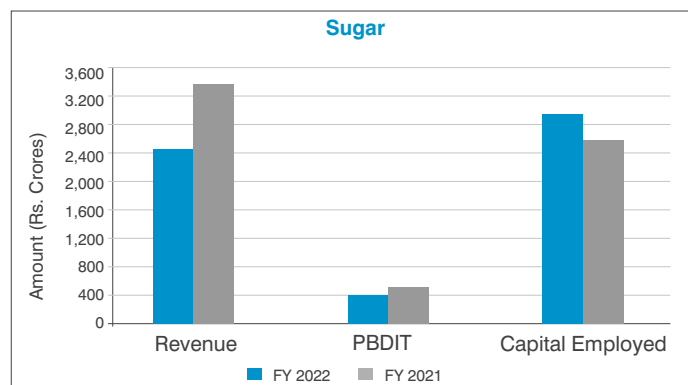
and a country liquor bottling line of 6400 cases per day which was commissioned in March FY'21.

Further, 3 new projects which include 120 KLD multi-feed distillery facility, expansion of Ajbapur crushing capacity by 3000 TCD (net) along with conversion of full capacity to refined sugar and expansion of refined sugar capacity at Hariawan are expected to be commissioned by Q3 of FY'23. These projects will further strengthen the business.

Business Performance

The Revenue, PBDIT and Capital Employed for this business for FY'22 along with the quantitative data are as follows:

Particulars	FY 22 (Rs/Crores)	FY 21 (Rs/Crores)
Revenue (Excl. excise duty)	2,473.7	3,384.5
PBDIT	400.1	503.2
Capital employed	2,954.2	2,621.1



Product	Year	Sales (Lac Units)	Realizations (Rs./Unit)
Sugar (Domestic) (In Quintals)	FY 22	43.8	3,475
	FY 21	57.2	3,246
	% Shift	-23.5	7.1
Ethanol/Alcohol (in litres)	FY 22	1195.1	54.1
	FY 21	1251.3	49.4
	% Shift	-4.5	9.5

Operating Parameters:

Particulars	Unit of Measurement	FY 22	FY 21
Financial Year			
Cane Crushed	Lac Quintals	554.8	618.4
Recovery Rate	%	10.0	10.6
Sugar Produced*	Lac Quintals	52.0	65.9

*Sugar production lower due to lower crush by 63.6 lac qtls and a further diversion to cane syrup ethanol production by about 33.4 lac qtls of cane and also due to lower recovery

- The decline in revenue and PBDIT is attributable mainly to:
 - Lower volumes of Sugar led by lower exports and lower domestic releases.
 - Lower availability of C Molasses during off season, since the distillery has a higher capacity than what can be supported by captive molasses.
 - Cost of production of sugar has gone up over the past year with the increase in cost of Sugarcane as well as other consumables and due to lower recovery.
 - Lower production during the year.

Industry Overview and Outlook

India is the second largest producer and largest consumer of sugar in the world. In domestic context, sugar is the second largest Agro based industry supporting over 50 million farmers along with indirect employment to rural population. It is estimated that about 7.5% of the rural population in India is involved with the sugar industry.

Indian Sugar Industry is highly fragmented with private sector, Government undertakings, Co-operatives, and unorganized players. Unorganized players are mainly involved in production of Gur and Khandsari, the less refined form of sugar. The crushing period varies from region to region beginning in October/ November and goes on till April/ May in all states except in southern states like Tamil Nadu, Andhra Pradesh where it continues till July/ August.

There have been no significant investments in global sugar capacities over the last few years and the variations in sugar production have been largely attributable to the vagaries of nature and the flexibility in Brazil between sugar and ethanol production. Also, the consumption has been stagnant at ~172-174 mmt. Based on latest updates sugar balance sheet will remain almost balanced in current and next year with minor deficit/surplus. Factors that may impact the balance are:

- Movement in crude prices presently at 100\$/bl (Brent) may change sugar mix in Brazil.
- Recovery in Thailand from back to back drought in recent past
- Upcoming distillation facilities in India for diverting excess sugar to ethanol

India is structurally a sugar surplus nation that has witnessed an increase in overall sugar production to about 35 mmt after considering the diversion of sugar of about 3.5 mmt to ethanol. The consumption is close to 27 mmt. Recently, Co0238 sugarcane variety in Uttar Pradesh has seen increased incidences of red rot, thereby impacting sugar production by almost 10% in the State. Future impact of the same needs to be assessed, although the industry has already started taking measures to promote new varieties.

Indian sugar stocks are expected to end lower at ~ 7 mmt, on account high exports of ~ 9 mmt and ~ 3.5 mmt diversion of sugar for ethanol production.

Government of India continues to be aggressive in the ethanol blending mandate and intends to achieve the target of 20% blend by 2025. For the current Ethanol season the blending rate is expected to be ~10%. The Ethanol prices have been increased across categories. The government continues its support to production of Ethanol, including grain based, through various financial schemes.

Our Strategy

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

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

Shriram Farm Solutions

Shriram Farm Solutions (SFS) business is focused on providing new technology solutions to the farmers ranging from products to agronomy. The product portfolio includes Seeds, Specialty Plant Nutrition and Crop Protection.

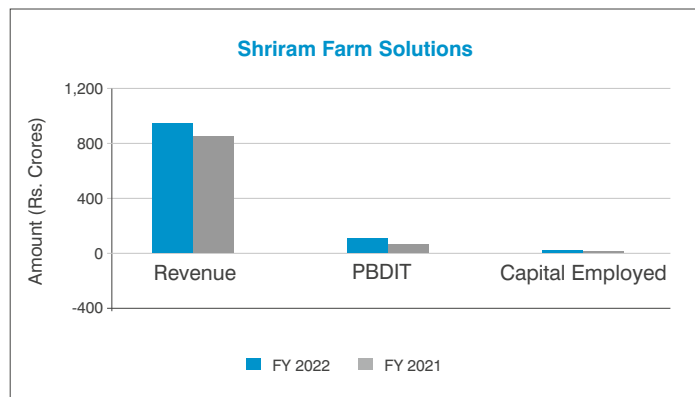
During FY 22, SFS retained its focus on new technology based Agri-inputs with the launch of new differentiated products and achieved double-digit growth despite significant challenges posed by external factors like intermittent monsoon rains and late rains in September & October. The business has also been at the forefront in adopting technology solutions like QR codes for supply chain visibility, 24 X 7 online ordering facility to channel partners. SFS business saw an overall sales growth of 10.5% over last year. Bottom line has also significantly improved during the year.

A strong team for agronomy services and farmer outreach supports the business. The company lays strong emphasis on educating farmers, strengthening its farmer interface and branding, which is critical to increase adoption of newer products and technology. Significant efforts were also put in for demand generation activities in both physical as well as digital mode. SFS's vast network of field workforce and its digital presence has been instrumental in building awareness amongst farmers. The business is supported by a strong distribution network spread across 15 states, reaching out to ~ 2 million farmers through ~ 35,000 retailers. The Company sells these Agri-Inputs under the brand 'Shriram' which stands for trust and quality, for the last 5 decades and has strong brand equity amongst the farming community.

Business Performance

The Revenue, PBDIT and Capital employed for this business for FY'22 are as follows:

Particulars	FY 22 (Rs/Crores)	FY 21 (Rs/Crores)
Revenue	948.9	858.2
PBDIT	135.8	109.9
Capital employed	15.1	-1.4



- Revenue for FY'22 was ~ 11% higher at Rs. 949 crores vs 858 crores last year. Revenue growth was driven mainly by higher volumes for research wheat seed and speciality plant nutrition products.
- PBDIT for FY'22 was higher by ~24% at Rs. 136 crores vs. Rs. 110 crores last year, led mainly by higher volumes.

Industry Overview and Outlook

With commodity prices rising across the globe, supply chain disruptions and climate change causing production shortfalls, the agriculture sector is expected to witness a shift in Agri-input preferences of the farmers. The areas of focus will be agricultural infrastructure, more efficient fertilizers, Inputs to tackle abiotic stress and Ag-tech.

Our Strategy

SFS's focus on new technology products, through in-house Research and global collaborations is a timely and future ready strategy to deal with the agricultural challenges. The company plans to strengthen its Research & Development and is building self-managed manufacturing capabilities. The company has active collaborations with International Research Organizations to co-create new generation products or source technology, wherever required. As a result, the business has a strong pipeline of products. We believe that these steps will enable the business to achieve healthy growth in the medium to long term.

Bioseed

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

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

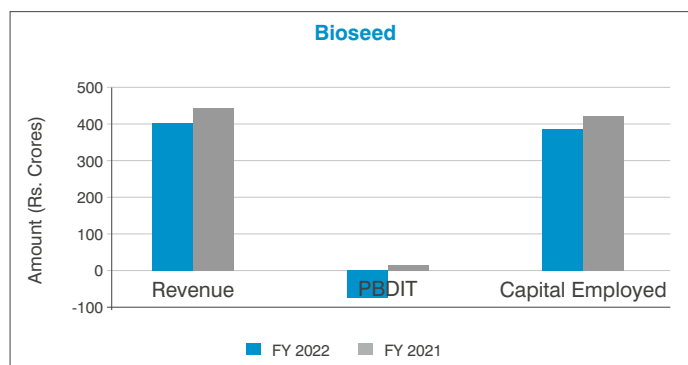
We have our research stations in all major agro-climatic regions in Asia pacific region, to cater to farmers in the respective regions. We spend

about 12-14% of our revenue on research activities. This has led to a healthy product pipeline. The product development is not only focussed on providing high yielding hybrids, but also meeting other challenges, such as pest resistance, disease tolerance, salinity and drought tolerance. The Company has got into research alliances to further strengthen its capabilities in new technologies.

Business performance

The Revenue, PBDIT and Capital employed for this business for FY22 are as follows:

Particulars	FY 22 (Rs/Crores)	FY 21 (Rs/Crores)
Revenue	406.0	464.2
PBDIT	-69.7	11.1
Capital employed	391.7	427.4



Bioseed Revenues in FY'22 stood at Rs. 406 crores vs. Rs. 464 crores last year.

Indian operations witnessed a decrease in revenue to Rs. 284 Crores from Rs. 355 Crores last year, as a result of lower cotton, corn, paddy and vegetable seed sales. The Philippines operations have shown continued stability with FY'22 revenue increasing to Rs. 104 crores vs. Rs. 95 crores in the previous year.

PBDIT for India operations declined primarily due to higher seed discards and provision made on account of slow moving Cotton seed inventory. PBDIT for Philippines operations was stable

Our Strategy

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

FERTILIZER (UREA)

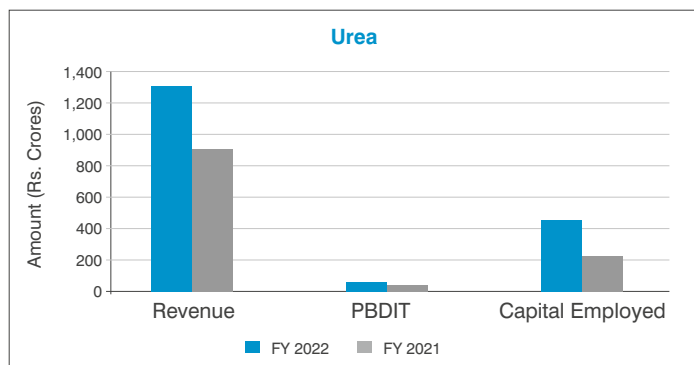
The company's Urea plant located at its integrated manufacturing complex at Kota, Rajasthan, is one of the oldest plants in the country with a reassessed capacity of 3,79,500 TPA of Urea. The company markets its products under the "Shriram Urea" brand, a trusted name and enjoys high brand equity amongst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

Business Performance

The Revenue, PBDIT and Capital employed for this business for FY'22 along with the quantitative data is as follows:

Particulars	FY 22(Rs/Crores)	FY 21 (Rs/Crores)
Revenue	1327.0	900.7
PBDIT	86.6	70.1
Capital employed	478.3	229.5

Year	Sales (MT)	Realizations (Rs./MT)
FY 22	3,88,223	32,085
FY 21	4,07,936	20,347
%Change	-4.8	57.7



Revenue for the business was higher because of higher realizations mainly due to increased gas prices which averaged US\$ 14.3/MBT vs US\$ 7.8/MBT last year, which is a pass through. The gas prices for the Q4 were at US\$ 19.3/MBT. Capital employed increased due to higher urea subsidy outstanding.

Industry Overview and Outlook

India is the second largest producer and consumer of Urea in the world. Urea is most preferred fertilizer and constitutes about 81% of entire 'N' fertilizer consumption in the country. Low farm gate price (fixed by government) and high nitrogen content has made it a preferred choice of the farmers. The gap between demand and supply of Urea has been met through imports. During 2021-22, urea imports are expected to be 90.0 Lac MT against 98.3 Lacs during 2020-21. Higher energy prices and the Russia-Ukraine conflict have kept the global NPK prices very firm over last one year. Going forward also they are expected to remain firm in the near term with high energy prices and trade sanctions being imposed on large producer countries.

Our Strategy

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

Other Businesses

Fenesta Building Systems

Fenesta is India's largest and most preferred uPVC windows brand. Fenesta provides complete solutions in terms of design, manufacture, fabrication, installation and service of precision-engineered, made-to-order window and door systems. The company operates in two segments,

i.e 'Retail' and 'Projects' (Institutional). It provides solutions for uPVC windows as well as System Aluminium windows. The competition in this business is increasing with new players entering the market.

Business Performance

The business witnessed satisfactory growth in FY'22 led by improvement in market scenario which was negatively impacted in the first half last year due to the pandemic. The revenue for the business stood at Rs. 529 crore in FY'22 vs. Rs. 361 crore last year, a growth of ~ 47%. While, PBDIT stood at Rs. 84 crores vs. Rs. 43 crores last year, a growth of ~ 95%. This was led by higher volumes as well as product prices.

Our Strategy

Strategic focus area of the business is to provide exceptional customer experience and offer comprehensive product portfolio including new product lines, resulting in sustained volume growth.

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

Cement

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

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

Business Performance

Revenue of the Cement business stood at Rs. 175 crore vs. Rs. 167 crore last year. The increase in revenue of ~5% was mainly on the account of higher Cement sales quantity due to normalization after COVID pandemic and also due to higher realizations. Fuel price has increased in 2021-22 as compared to 2020-21 by ~60%. This had negative impact on margins.

Hariyali Kisaan Bazaar

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

PVC Compounds – Shriram Polytech

Shriram Polytech limited is a wholly owned subsidiary of DCM Shriram Limited w.e.f. October'2021. Earlier, it was an Indo-US 50:50 Joint venture between DCM Shriram Ltd. & Axiall LLC, USA (A West lake company). In October'2021, M/s DCM Shriram Limited has acquired entire 50% of the paid-up share capital held by Axiall LLC (The Joint Venture partner) in SAPL.

The product range includes wire & cable, Automotive, Food & Medical, Colors segments grade PVC Compounds. The market of PVC compounds which is around 3.60 Lac MT per year out of which around 3.50 % is catered through imported compounds. In terms of the total market split, wire and cable business constitutes around 72% of the total market size by volumes with remaining volume of Medical, Automotive, EVP and Master batch market. The company holds about 17% market share in automotive grade.

Business Performance

The business' total revenues during the year 2021-22 were at Rs. 190.0 Crores vs Rs. 130.6 Crores last year. The PBDIT stood at Rs. 8.5 Crores vs Rs. 6.5 Crores last year. The increase in revenue was mainly on account of higher sales quantity due to normalization after COVID pandemic and better realisation.

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

Our strategy

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

Opportunities, Threats, Risks and Mitigants

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

Opportunities:

- Agri-Inputs
 - ✦ The Agri-inputs business of Bioseed and Shriram Farm solution will have opportunities over medium to long term in the form of rising demand for quality seeds and other farm inputs with desired traits. Demand is going up for food in the country as well as globally leading to a need for higher productivity and resistance to climate, disease and pests for crops. Approval to GM technology in India for crops such as corn, vegetables as and when it happens, will further foster growth of hybrid seeds.
 - ✦ Presence of company's seed business in overseas markets of Philippines provides opportunity to the business to grow along with the growth in Agri sector in these countries
- Sugar business segment of the company provides multiple opportunities for growth in multi-feed ethanol distilleries, 2G ethanol, adding value to other by products.
- Chlor-Alkali business is seeing opportunities in capacity expansion to meet the medium-term demand growth as well as in downstream

products that will help Chlorine evacuation and other value added downstream / adjacent products.

- The company's Fenesta Building Systems business provides opportunities in existing windows business and newly entered System aluminium windows through product innovation as well as in related building products.
- Strong brand in all businesses, which enjoy high level of trust and credibility with customers including farmers.
- Strong financials with healthy cash flows and good project implementation track record provides ability to continuously invest in growth.

Risk, threats and mitigants:

- Businesses such as Sugar, Fertiliser and parts of Bioseed business segments are exposed to risk of regulatory intervention. Exposure to these businesses is kept at reasonable level. Further, we alongside with other industry participants and associates work with regulatory agencies on continuous basis to ensure a policy framework which benefits farmers (key stakeholder in all these businesses), consumers and industry. We have diversified the product portfolio in Sugar and Bioseed to limit the risks.
- Substantial delay in payment of dues from government related to fertiliser and Sugar business. The Company manages its working capital and tries to keep overall debt at low levels to enable handling such risks
- Businesses like Chloro-vinyl are energy intensive. Rising energy costs as a result of rising international and domestic coal prices, freight, duties and levies, is increasing the cost of production. We continuously work and invest in improving our technology, efficiencies, fuel mix and sourcing, to ensure that overall cost of production is competitive.
- Chemicals, Plastics, Sugar and Cement are commodity products, hence their prices are led by global commodity prices along with domestic demand and supply position. The Company focuses on being amongst the lowest cost producers in these businesses.
- Compliance - Increasing regulatory enactments has brought in the need for additional compliances. With various statutes and regulations, non-compliance may not only lead to monetary penalties but also have an impact on the reputation of the organisation and the goodwill it enjoys. The risk is mitigated through regular monitoring using IT tools and review of changes in the regulatory framework to ensure compliance with all the applicable statutes and regulations.
- Climate Change - We work proactively to increase the percentage of green power in our portfolio including Bagasse based co-gen power plants at Sugar business as well as use of Biomass in our coal based power plants for Chloro-Vinyl Business. We are over water positive in

our businesses. Further we continuously work to improve our efficiencies hence reduce our energy consumption and the carbon footprint.

Internal Control Systems and their Adequacy

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

Human Resources and Industrial/Employee Relations

The Organization is poised to grow by building on its strengths. To enable this, there has been a huge focus this year to build a culture that drives the employee's behavior to achieve the Organization goals

To build a culture for growth and drive effectiveness at the same time, the 3 HR pillars have been identified - Drive Growth, Capability Build Up and Culture.

• Drive Growth

- The focus areas have been identified to build a right Organization design for future emerging needs, create a robust pipeline of Leadership and develop future skills and new business capabilities
- We have a Potential assessment framework created to build a Talent Build and define the Bind/Build/Buy/Borrow talent strategy to strengthen functional and leadership bench strength
- There are gamut of channels under 'Early in Career' program to infuse fresh young talent in the Organization – Like On campus and Off Campus hiring and Functional Leadership programs.
- We have adopted RACI roles and responsibilities matrix to simplify and improve efficiency of decision making process.

• Capability Build Up

- Our focus for capability build up is to continue to support essential technical, behavioural and functional learning and development needs and enhance competency to build capability for growing our existing and new businesses and build a commercial and technical talent pipeline

- There has been significant Investment in digitization to develop and introduce a systematic and sustainable approach to learning and development that allows people to access a range of quality learning opportunities.
- Focused interventions have been designed as part of Leadership Development to enhance managerial effectiveness by developing critical capabilities needed to perform role of a manager, enabling successful transitions of Individual Contributors to First Time Managers.
- Mentoring and coaching programs have continued along with rotations of employees into new and different roles to give them a developmental exposure and learning for better career.
- **Culture**
 - The commitment of the Organisation towards people is strongly enshrined in the core values and beliefs of the Organisation. As values and culture impact employees right through the entire employee life cycle, hence institutionalizing the values through integration at all stages becomes imperative.
 - We regularly conduct various surveys such as the Employee Engagement Survey and the Culture Survey to understand the pulse of the organization and work towards building a great place to work.
 - We have an HR Chat Bot for our employees. The chat bot makes HR practices available to employees on click of a button and it has also helped us automate and strengthen our helpdesk system for employees.
 - There is an increased focus on ensuring employee safety and well being. We have engaged with external partners to drive Employee Well being and Assistance programs.

Employee / Industrial Relations

The focus on building cordial and harmonious relationship with employees of the company has continued on a sustained basis. An environment of mutual trust, understanding and faith has been nurtured in line with the progressive philosophy of the organisation to work in a collaborative way and build togetherness to achieve the larger goals of building a great institution and business Organisation. The core value of respect and dignity has been well institutionalized in the organization ensuring fairness, transparency and engagement. With every passing year, the organization has increased its focus on Employee health safety, responsible care, process safety and a cleaner and safer work environment.

The unique initiatives undertaken from time to time, along with an authentic people philosophy of the company has ensured that the workplace provided to the employees is engaging, positive and enabling. All this has led to the building of a facilitating ecosystem and ethos in the Company. It has ensured that employees give their best and align themselves fully to the business and organizational goals of the Company so as to create a bright future for every stakeholder.



Business Responsibility & Sustainability Reporting

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

INTRODUCTION

This report has been prepared in accordance with the SEBI Guidelines for Business Responsibility and Sustainability Reporting (BRSR). It aims to showcase enhanced transparency around how businesses are creating value by contributing towards a sustainable economy. DCM Shriram Limited has decided to voluntarily adopt the BRSR framework for its disclosures with effect from financial year ending March 2022, with the aim of strengthening our ESG processes as well as improving our sustainability performance.

As this is the first year of BRSR for DCM Shriram Limited, the report has been prepared on best effort basis. In cases where we were unable to report on specific elements, or where partial data has been disclosed, the boundary of the disclosures has been demarcated clearly, along with definitions and assumptions used, if any.

This report underlines our incessant effort to create long-term value for our stakeholders, as we contribute toward promoting sustainable development.

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

- Corporate Identity Number (CIN) of the Company:**
L74899DL1989PLC034923
- Name of the Company:** DCM Shriram Ltd.
- Year of incorporation:** 1990
- Registered address :** 2nd Floor (West Wing), Worldmark-1, Aerocity, New Delhi-110037
- Corporate address:** 2nd Floor (West Wing), Worldmark-1, Aerocity, New Delhi-110037
- E-mail id :** response@dcmshriram.com
- Telephone:** +91-011-23316801
- Website:** www.dcmshriram.com
- Financial year for which reporting is being done:** 2021-22
- Name of the Stock Exchange(s) where shares are listed:**
Bombay Stock Exchange (BSE), National Stock Exchange (NSE)
- Paid-up Capital:** INR 31.35 Crores
- Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report:**
Name: Mr. K. K. Sharma
Designation: Whole Time Director- Environment, Health and Safety
Telephone Number: +91-011-23316801
Email id: kksharma@dcmshriram.com
- Reporting boundary** - Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together).
[Consolidated for DCM Shriram Limited¹](#)

¹International subsidiaries of DCM Shriram Limited are not included in the BRSR reporting. Few Indian subsidiaries are also not included due to no major business activities

II. Products/Services

14. Details of business activities (accounting for 90% of the turnover):

S. No.	Description	Description of Business Activity	% of Turnover of the entity
1	Agri-Rural business	<ul style="list-style-type: none"> Shriram Sugar and Distillery Business includes sugar, ethanol and Bagasse based Cogen Power Plants Shriram Farm Solutions provides a range of agri inputs such as Plant Nutrition Solutions, Crop Care Chemicals, Urea and Hybrid Seeds Shriram Bioseed Business is into R&D of Hybrid Seeds, Seed production and processing Shriram Fertilisers and Chemicals includes manufacturing of Urea 	54.60 %
2	Chlor-Vinyl business	<ul style="list-style-type: none"> Manufacturing of Caustic Soda, Chlorine, Hydrogen, Stable Bleaching Powder, Calcium Carbide, PVC resins, Aluminum Chloride 	36.72 %
3	Value added business	<ul style="list-style-type: none"> Fenesta Building Systems that manufactures UPVC and Aluminium windows & doors 	5.37 %

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Manufacturing of Chemicals and Fertilizers	2011, 2012	50.19 %
2	Manufacturing of Sugar and Ethanol	1072, 2011	27.37 %
3	Trade of agri-inputs	4620	9.63 %

4	UPVC and Aluminium Windows and Door Systems	2220, 25111	5.41 %
5	Seed processing activities, research activities	0164, 7210	3.02 %
6	Manufacturing of cement	2394	1.8 %
7	Co-generation of power	3510	0.98 %

III. Operations

16. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	10	56	66
International	1	3	4

17. Markets served by the entity:

a. Number of locations

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

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

2.97%

c. A brief on types of customers

DCM Shriram caters to two kinds of customers through its various businesses:

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

IV. Employees

17. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S.No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	3391	3237	95.5%	154	4.5%
2.	Other than Permanent (E)	3314	3312	99.9%	2	0.1%
3.	Total employees (D+E)	6705	6549	97.7%	156	2.3%
WORKERS						
4.	Permanent (F)	1783	1773	99.4%	10	0.6%
5.	Other than Permanent (G)	6943	6418	92.4%	525	7.6%
6.	Total workers (F + G)	8726	8191	93.9%	535	6.1%

b. Differently abled Employees and workers:

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

V. Participation/Inclusion/Representation of women

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

19. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2021-22			FY 2020-21			FY 2019-20		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	14.9%	14.9%	14.9%	18.4%	27.3%	15.8%	18.6%	19.3%	18.6%
Permanent Workers	9.1%	0%	9.0%	12.1%	16.7%	12.2%	14.7%	18.2%	14.7%

VI. Holding, Subsidiary and Associate Companies (including joint ventures)

20. (a) Names of holding / subsidiary / associate companies / joint ventures

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

	Investments Limited, India			
4	DCM Shriram Aqua Foods Limited, India	Subsidiary	100%	*NA
5	Fenesta India Limited, India	Subsidiary	100%	*NA
6	DCM Shriram Foundation, India	Subsidiary	100%	Yes#
7	Hariyali Rural Ventures Limited, India	Subsidiary	100%	*NA
8	Shridhar Shriram Foundation, India	Subsidiary	100%	*NA
9	Shriram Polytech Limited (Earlier know as Shriram Axiall Private Limited, India**	Subsidiary	100%	Yes#
10	Shriram Bioseed Ventures Limited, India	Subsidiary	100%	*NA
11	Bioseed Limited, Mauritius	Subsidiary	***NA	*NA
12	Bioseed Holdings Pte. Ltd., Singapore	Subsidiary	100%	*NA
13	Bioseed Research Philippines Inc., Philippines	Subsidiary	100%	No
14	Bioseed Research USA Inc., USA	Subsidiary	100%	*NA

*No major business activities

**Subsidiary w.e.f. 19th Oct' 2021

***The Scheme of amalgamation for merger of Bioseed Limited with Shriram Bioseed Ventures Limited (wholly owned subsidiaries) has been approved by National Company Law Tribunal (NCLT) vide its order dated March 29, 2022 which became effective on April 27, 2022 on filing the certified copy of orders of NCLT in the office of Registrar of Companies.

These subsidiaries have been included in the BRSR.

VI. CSR Details

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

(ii) Turnover (in Rs.): INR 9623.81 Crores

(iii) Net worth (in Rs.): INR 5541.16 Crores

VIII. Transparency and Disclosures Compliances

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

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2021-22			FY 2020-21		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remark
Communities	Yes	0	0	Nil	0	0	Nil
Investors (other than share holders)	Yes	0	0	Nil	0	0	Nil
Share holders	Yes	5	0	Nil	13	0	Nil
Employees	Yes	0	0	Nil	0	0	Nil
Customers	Yes	33	0	Refer* Note	55	0	Refer* Note
Value Chain Partners	Yes	0	0	Nil	0	0	Nil

*Considering normal turnaround time required for resolution of consumer complaints, all the complaints have been resolved during the year for all the businesses up to the customer satisfaction

Every stakeholder group has been provided with a grievance redressal platform, details of which are present on the Company's website.

• Communities

The community grievance redressal process established by DCM Shriram provides an avenue for communities to voice their concerns and promotes a transparent mechanism for understanding and resolving their grievances in a just, fair and timely manner. As per DCM Shriram's Whistle Blower Policy, community members can send any concerns or grievances at the email id:

alert@dcmsriram.com.

• Investors and Shareholders

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

• Employees and Workers

DCM Shriram has adopted a Whistle Blower Policy that provides a mechanism for employees, including both full-time, part-time employees and contractual workers to report any concerns or grievances. The policy aims to ensure that genuine complainants are able to raise their concerns in full confidence, without any fear of retaliation or victimization and also allows for anonymous reporting of

complaints. The designated Ombudsman administers the entire process – from reviewing and investigating concerns raised and undertaking all appropriate actions to resolve the issue. Any instance of serious misconduct brought to the Ombudsperson is also reported to the Audit Committee.

- **Value Chain Partners**

DCM Shriram's Whistle Blower Policy allows suppliers, contractors, vendors and business associates to report any complaints or concerns to the Ombudsman office. All value chain partners have access to the Ombudsperson through e-mail, secure hotline and post. They can send an e-mail marked confidential to alert@dcmshriram.com.

- **Customers**

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

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Cyber Security / Technology / Information Security	R	Negative
2	External Environment : Implications of Govt. Policies changes in agri sector	R	Negative
3	Rising Stakeholder requirements for Sustainability goals	O	Positive
4	Health and	O	Positive

	Safety		
5	Natural calamities due to climate change	R	Negative
6	Pandemic Risk leading to Business disruption	R	Negative
7	Compliance to various laws and Listing requirements	R	Negative

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

1. Cyber Security / Technology / Information Security

Risk

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

Mitigation Measure

DCM has implemented robust information security controls and processes to mitigate any internal or external threats, such as deployment of automated patch updates, firewall with anti-virus and intrusion prevention system, third party assessments of IT infrastructure including vulnerability assessment and penetration testing (VAPT) and regular monitoring of OEM support to system. An Information Security Management System has been put in place across all business units.

For risks associated with remote working, we have implemented measures for cyber security including remote access to applications through encrypted VPN, employee training and awareness on cyber security, dissemination of automated warnings for potential phishing attacks and two-way authentication access to email system.

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

Risk

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

Mitigation Measure

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

3. Natural calamities due to Climate Change:

Risk

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

Mitigation Measure

Ongoing plans are in place for parent seeds:

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

Hybrid Seeds:

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

4. Pandemic Risk leading to Business disruption:

Risk

COVID-19 pandemic has emerged as risk to disruption to our business continuity. Risk of novel COVID-19 strains has an impact as it widely transmits, and globally the Governments introduced restrictions on business activities / lockdown. Furthermore, existing process to monitor post COVID related health issues of employees may not be adequate, leading to extended health issues of employees and risk of productivity loss.

Mitigation Measure

At DCM Shriram, each business has taken adequate measures for its employees, customers and visitors respectively through implementation of standard operating procedures in line with the norms prescribed by the Government to support employees. Clinic and doctor-on-call facility provided to all the employees. Further, corporate tie ups with reputed medical organizations exist to improve emotional well being of employees.

Additionally, the business continuity is ensured by keeping adequate inventory of raw materials, consumables and finished goods as well as diversification of vendors.

5. Compliance to various laws and Listing requirements

Risk

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

Mitigation Measure

Any new statute / legal requirement or amendments to existing

framework is being monitored continuously and necessary / adequate training (need based) is given to the requisite teams / departments for updating their knowledge. Engagement of external experts / consultants on need basis. Continuous monitoring on trading of shares by any insider / designated employees and regular trainings and education on the Insider trading regulations and amendments are imparted. Legal compliance framework is in place. Further, online compliance tool (covering all applicable Acts) is being implemented to automate and strengthen the process.

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

6. Rising Stakeholder requirements for Sustainability goals

Sustainability & ESG aspects are embedded in the EHS policy by striving towards conserving natural resources and conservation of energy.

Resource efficiency (water, energy and waste) targets are part of business plans that are monitored and reviewed regularly by Senior Leadership Team as part of action for Climate Change mitigation. Projects are identified for Green House Gases (GHG) reduction and are being considered for implementation.

The Company has many interventions related to water management in collaboration with ICAR - Indian Institute of Sugarcane Research and International Finance Corporation (IFC). The progress of activities has been closely monitored by scientists of ICAR-IISR and certified that the information and data obtained during the study is authentic and worth adopting in sugarcane cultivation to economize irrigation water use.

The Company has distillery operations manufacturing alcohol through bio-route and also plans for expansion and introducing grain based alcohol for blending. The Company is also producing electricity through biomass and supplying to grid as clean energy.

7. Health and safety

Health and safety of employees is considered paramount for business sustainability. The Company has taken several initiatives to ensure best safety practices and system in place that includes certification of sites for ISO 45001 on Occupational Health & Safety standard. Besides this following measures have been undertaken:

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

SECTION B : MANAGEMENT AND PROCESS DISCLOSURES

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

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	http://dcmsriram.com/company%27s-policies								
2. Whether the entity has translated the policy into procedures. (Yes /No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
4. Name of the national and international codes/certifications/labels/ standards adopted by your entity and mapped to each principle	(Refer Table 2 below for details)								
5. Specific commitments, goals and targets set by the entity with defined time lines, if any.	(Refer Table 3 below for details)								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	(Refer Table 4 below for details)								
Governance, leadership and oversight									
<p>7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure).</p> <p>It gives us great pleasure to present our 1st Business Responsibility and Sustainability Report (BRSR) for the year 2021-22. This report reflects our commitment and some of our initiatives and practices in pursuit of our long standing commitment to ESG. This report prepared in accordance with the nine principles of 'National Guidelines on Responsible Business Conduct' (NGRBCs), outlines our sustainability performance, which we have strived to achieve backed by the solid foundation of our integral values. It also elucidates our interventions which are aligned to fulfill our commitment towards the UN Sustainable Development Goals (SDGs).</p> <p>Care for the environment is one of our core focus areas as we continue to contribute in shaping a better future, which is safe, inclusive and sustainable. Furthermore, we have designed business strategies that incorporate social well-being in everything we do. Our responsibility towards our stakeholders is deeply ingrained in our way of doing business since the founding days of DCM Shriram. This was evident during the pandemic when many of our employees came at the forefront to volunteer in COVID relief measures for the larger community. To augment government efforts, we initiated production of sanitizers at our distillery units and accelerated the production of disinfectants at our manufacturing sites, to support government agencies, hospitals, NGOs and communities at large.</p> <p>We exert to positively engage with communities surrounding our operations, helping enrich their lives through CSR programs. We have positively impacted the lives of more than 76000 people through our CSR interventions in the areas of health, sanitation, education, environmental sustainability and livelihood generation. To support the farming communities, we have been undertaking various capacity building initiatives to promote greater agricultural yields and enhanced incomes. To address the rising scarcity of water and its impacts on surrounding communities, we constructed multiple water-harvesting structures at locations spanning across 5 states. This has helped in groundwater recharge and boosted crop production while ensuring year-round availability of water for the local communities.</p> <p>We intend to create green belts around our areas of operation, for which over 96,000 saplings have been planted across our various sites during FY 2021-22. Our efforts to build toilets in schools and make villages 'Open Defecation-Free', is in line with the national Swachh Bharat Abhiyan. In FY 2021-22, we spent INR 17.425 crores on CSR activities and INR 2.515 Crores has been transferred to unspent CSR account for the 'Ongoing Projects' that are running in a continuous mode with year-on-year goals and budgets which are accounted and audited.</p> <p>At DCM Shriram, health, safety and well-being of our employees is of prime importance to us. We have taken concrete steps to create a culture of safety, integrating it in every aspect of our business and behavior. Further, we continually strive towards employee development and welfare, through strategic training and engagement programs that promote learning and inclusion.</p> <p>We are adopting innovative means to promote resource efficiency, emission reduction, water conservation, waste minimization and biodiversity protection. In this UN Decade of Ecosystem Restoration, we have been actively working towards water conservation through our future ready initiatives, as we continue to establish our status as a water positive company. As a result of our focused interventions towards water harvesting, we are 11 times water positive during 2021-22. Being a founding member of India Biodiversity Initiative (IBBI), we promote biodiversity conservation and sustainable use of natural resources through our business operations. We are committed to reduce our reliance on fossil fuels and enhance</p>									

use of renewable power along with measures towards achieving zero waste and zero liquid discharge. True to our focus, our biomass co-generation capacity was utilized during the year for generating captive power and supplying surplus to the State grid. Apart from this, hydrogen (a byproduct of Chlor alkali plant) and usage of ethanol blending has also reached new scales. Our investment in R & D and our collaboration with external stakeholders has assisted us in building a strong pipeline of innovative products across markets, which will position us to contribute better in adapting and responding to climate change.

Our efforts towards the environment and society are backed by robust governance that supports our values of integrity, accountability and transparency. We take pride in the fact that we have striven to exceed legal compliance requirements and ensured that policies and procedures supporting responsible business practices are implemented in their true spirit. This is pivotal for us as we become a future-ready enterprise that continues to realize operational excellence while creating enduring environmental and social value. However, this will only be possible through enduring support of and collaboration with our stakeholders.

To all our stakeholders, from the customers that depend on our products, to business partners and communities that support our operations and investors that recognize our potential to create long-term value, to our employees that ultimately drive our success, we thank you for your support in our journey

K. K. Kaul

Whole Time Director

Disclosure Questions	P	P	P	P	P	P	P	P	P	P									
	1	2	3	4	5	6	7	8	9										
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Board of Directors																		
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/ No). If yes, provide details.	a. Led by Mr. K. K. Kaul, DIN: 00980318, Whole Time Director, the following members have been nominated as a team responsible for Business Responsibility and Sustainability Reporting initiatives: b. Mr. K. K. Sharma, DIN: 07951296, Whole Time Director (EHS) c. Mr. Amit Agarwal, President and Chief Financial Officer d. Mr. Sandeep Girotra, President and Chief HR Officer																		
10. Details of Review of NGRBCs by the Company																			
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)									
	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	1	2	3	4	5	6	7	8	9	1	2	3	4	5	6	7	8	9	
Performance against above policies and follow up action	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annually									
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Annually									
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency. Yes, Please refer table below	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P
	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

Principle	Name of the External Agency
P1	DNV#, KPMG* Sanjay Grover & Associates Company Secretaries, SD Partners Lawyers
P2	DNV#, KPMG* Sanjay Grover & Associates Company Secretaries, SD Partners Lawyers
P3	DNV#, KPMG* Sanjay Grover & Associates Company Secretaries, SD Partners Lawyers
P4	DNV#, KPMG* Sanjay Grover & Associates Company Secretaries, SD Partners Lawyers
P5	DNV#, KPMG* Sanjay Grover & Associates Company Secretaries, SD Partners Lawyers
P6	DNV#, KPMG* Sanjay Grover & Associates Company Secretaries, SD Partners Lawyers

Principle	Name of the External Agency
P7	DNV#, KPMG* Sanjay Grover & Associates Company Secretaries, SD Partners Lawyers
P8	DNV#, KPMG* Sanjay Grover & Associates Company Secretaries, SD Partners Lawyers
P9	DNV#, KPMG* Sanjay Grover & Associates Company Secretaries, SD Partners Lawyers

*Independent Assurance as per ISAE 3000 Assurance Standard on sustainability reporting.

#Independent Audit on ISO 14001, ISO 45001, and ISO 9001 standard

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

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

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

Table 2- Annexure to 4- National and International standards

Principle	Name of the national and international codes/certifications/labels/ standards
P1	<ul style="list-style-type: none"> Reporting aligned to GRI Standards and International Integrated Reporting Framework International Standard on Assurance Engagements (ISAE) 3000 (Revised) – limited assurance criteria
P2	<ul style="list-style-type: none"> ISO 14001 Environment Management System ISO 45001 Occupational Health and Safety Management System Responsible Care Certification Bonsucro Certification
P3	<ul style="list-style-type: none"> ISO 45001 Occupational Health and Safety Management System Responsible Care Certification British Safety Council five-star safety rating system
P4	<ul style="list-style-type: none"> Materiality assessment and Stakeholder Engagement in line with GRI Standards
P5	<ul style="list-style-type: none"> Bonsucro Certification Responsible Care Certification
P6	<ul style="list-style-type: none"> ISO 14001 Environment Management System Responsible Care Certification

Principle	Name of the national and international codes/certifications/labels/ standards
P7	<ul style="list-style-type: none"> Member of Confederation of Indian Industry (CII), and founding member of India Business and Biodiversity Initiative (IBBI)
P8	<ul style="list-style-type: none"> Responsible Care Certification
P9	<ul style="list-style-type: none"> ISO 9001 certified Quality Management System ISO 14001 certified Environmental Management System Responsible Care Certification

Table 3- Annexure to 5- Specific commitments, goals and targets
















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

Table 4- Annexure to 6- Performance of the entity against the specific commitments, goals and targets

Principles	Performance of the entity against the specific commitments, goals and targets
P1	100% Compliance
P2	Product information shared with customers for its safe use and disposal
P3	Employees are engaged in reporting of safety observations for building safety culture through increased awareness
P4	Stakeholders complaints are addressed on priority and all efforts are made to ensure closure of complaints - No pending complaints at the end of FY'2021-22
P5	No child labour cases, No incident of POSH and equal opportunity of employment to all
P6	Water, energy and waste targets monitoring Reduction in Specific Water intensity by 15% (KL/ Lacs INR Revenue) and 4.6 % (KL/ t Production) Reduction in Specific Energy intensity by 17.8% (TJ/ Lacs INR Revenue) and 7.7 % (TJ/ t Production) Reduction in Specific Hazardous Waste by 10.3 % (kg/ Lacs INR Revenue) and maintained Specific Hazardous Waste (Kg per ton of production) same as in the previous FY though there has been increase in production volumes. 11 times water positive during FY'2021-22.
P7	Sustainability reporting as per GRI Standards and assured by third party; participated in CII, FICCI, FAI, CMA, ISMA, AMA
P8	Preventive Healthcare: Education, vocational skills and livelihood; Environment Sustainability and Rural development are regularly pursued and monitored by CSR Committee of the Board-For details please refer Section C under Principle 8
P9	Information about the product and its use provided on the product labels and also relevant safety related information shared through MSDS supplied along with the products as applicable.

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topic principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
Board of Directors	4	The Companies Act 2013, Sustainability Reporting, Project Safety, Business Responsibility initiatives, Global financial, business Trends, CSR and Financial reporting etc.	100%
Key Managerial Personnel	10	Code of conduct, Company Values, ESG, Sustainability Reporting, Whistle Blower Policy, Prevention of Sexual Harassment (POSH) Policy, Global and National financial updates, business trends, financial reporting, HR Policies and employee welfare etc.	100%
Employees (other than BoD& KMPs)	688	Skill development, Business Etiquettes, Team Congruence, Conflict Management, Emotional	100%

Segment	Total number of training and awareness programmes held	Topic principles covered under the training and its impact	% age of persons in respective category covered by the awareness programmes
		Intelligence, Communication skills, Delegations, Code of Conduct, Technical development skills, Policies & Values, Data security and privacy, Fish bone analysis on Electrical Breakdown, etc.	100%
Workers	461	Predictive maintenance, Electrical and mechanical maintenance, Behavioural Safety, Emergency preparedness and General safety, Defensive Driving / Road safety, Environment, Team work, Wellness and Good Health, First Aid training etc.	100%

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

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

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

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

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

DCM Shriram has defined guidelines on anti-corruption and anti-bribery as part of our Code of Conduct. The policy is applicable to all employees, Board of Directors and senior management. As per the policy, employees are not permitted under any circumstances to offer or receive bribes in the form of gifts, donations, hospitality and/or entertainment beyond the customary level from existing or potential suppliers, customers or third parties, which have business dealings with the Company.

All employees are required to undergo a training on the policy to acknowledge their understanding of the same and commit to adhering to the guidelines defined in it. Annual refresher trainings are also provided to employees on the policy.

Risk assessments are undertaken to identify any potential risks related to bribery and corruption, as part of the internal audits. Furthermore, DCM Shriram undertakes a formal procedure to address and investigate any complaint on bribery/ corruption and takes suitable action. There is provision for such misconduct to be periodically reported to the Audit Committee of the Board. Disciplinary actions are taken in case of any violation of the Code of Conduct, which can include penalties, legal action and even termination of employment or business contract, depending upon the severity of the breach.

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

	FY 2021-22	FY 2020-21
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Nil	Nil

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

	FY 2021-22		FY 2020-21	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	Nil	Nil	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	Nil	Nil	Nil	Nil

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

Nil

Leadership Indicators

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

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
2871	Climate smart agricultural practices for Sugar	90%

Total number of awareness programmes held	Topics / principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
	Business	
80994	Farmer meeting, Crop Shows/Field Days, Product demonstration, jeep campaigns for SFS Business	95%
4600	Farmer campaigns and meeting, Crop Shows/Field Days, Product demonstration, jeep campaigns for Bioseed Business	95%
400	TREM Card, Emergency information panel, Chemical hazards, Road safety programs etc. for Transporters carrying hazardous chemicals	100%

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

Yes, DCM Shriram has put in place stringent procedures to avoid any conflicts of interest involving members of the Board. Code of Conduct and Policy on Related Party Transactions are applicable to all Directors on the Board and provides the guidelines for avoiding conflict of interest. As per the policy, Board Members and Senior Management Personnel will not involve in a situation in which he/she may have direct/ indirect interest that conflicts with the interest of the Company. In case any such situation arises, the same is required to be disclosed to the Board of directors of the Company for appropriate consideration.

Policy on Related Party Transactions intends to ensure that proper reporting, approval, and disclosure processes are in place for all transactions between the Company and related parties. The Policy disallows the concerned or interested Director to participate in any discussion or approve contracts or arrangements with related parties.

PRINCIPLE 2 :

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

Essential Indicators

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

	FY 2021-22	FY 2020-21	Details of improvements in environmental and social
R&D	100%	100%	R&D of hybrid seeds that are resistant to adverse weather conditions, salinity, drought, water logging, insect pests and diseases.
Capex	14%	6%	Effluent Treatment Plants, Air Pollution Control Devices, Green belt Development, Rainwater Harvesting, Waste Management etc.

2. **a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

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

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

Sugar and Distillery Business: 100% Sugarcane feedstock were sustainably sourced from Local farmers and for Chemicals and Other Business: >50% inputs by value were sustainably sourced.

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

(a) **Plastics** : DCM Shriram has registered as brand owners with CPCB under the EPR obligation as part of compliance of the Plastic Waste Management rules. The Company has engaged two Plastic Waste Reprocessing agencies authorized by CPCB for recycling of plastics wastes during FY'2021-22.

(b) **e-waste** : Not applicable

(c) **Hazardous waste**: Not applicable

(d) **Other waste**: Not applicable

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

Yes, Plastic packaging introduced into the market is recycled through the CPCB (Central Pollution Control Board) authorized plastic waste re-processors. During the year, around 28% of the plastics packaging introduced into the market were recycled by the plastic waste re-processing agencies.

Leadership Indicators

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

NIC Code	Name of Product/ Service	% of total Turnover contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
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DCM Shriram is REACH compliant for Caustic Soda and Caustic lye under which LCA is part of the Product Data Sheet and Product Dossier. The Company is recognized as Industry Stewardship Champions for their outstanding achievements in product stewardship and commitment to Safety, Health and Environment (SHE) in Fertilizer Plant under the Protect & Sustain initiative by International Fertilizer Association (IFA). However, we plan to explore carrying out LCA of our major product in future.

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

Name of Product/ Service	Description of the risk / concern	Action Taken
Caustic Soda	Health & Safety Risk	The Company has adequate safety systems in place related to manufacturing process and Safety Data Sheet (SDS) is provided to customers along with the product for more information on safe handling and response during emergency situations
Caustic Lye	Health & Safety Risk	
Urea	Health & Safety Risk	

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

Indicate input material	Recycled or re-used input material to total material	
	FY 2021-22	FY 2020-21
Lime sludge, Fly ash and Bagasse	25%	26%

4. Of the products and packaging reclaimed at end of life of products, amount reused, recycled, and safely disposed, as per the following format :

Material	FY'2021-22			FY'2020-21		
	Re-used	Recycled	Safely Disposed	Re-used	Recycled	Safely Disposed
Plastics (including packaging)	-	100%**	-	-	0*	-
E-waste	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Hazardous waste	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable	Not applicable
Other waste	Not applicable	100%	Not applicable	Not applicable	Not applicable	Not applicable

* The registration as Brand Owners was issued by CPCB for recycling of plastic waste during FY'2021-22

** Reclaimed quantity of plastic waste during 2021-22 was 1002 tonnes.

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

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Packing Material (Tote Bins for Aluminum Chloride)	0.4%
Chlorine and Hydrogen Cylinders	100%
PVC Resin using small bulkers	100%
Plastic Wastes (Packaging Material)	28%

PRINCIPLE 3 :

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

Essential Indicators

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

% of employees covered by											
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care benefits	
		No. (B)	%(B /A)	No. (C)	%(C /A)	No. (D)	%(D /A)	No. (E)	%(E /A)	No. (F)	%(F /A)
Permanent employees											
Male	3237	2151	66%	3237	100%	0	0%	0	0%	0	0%
Female	154	52	34%	154	100%	154	100%	0	0%	23	15%
Total	3391	2203	65%*	3391	100%	154	4.5%	0	0%	23	1%
Other than Permanent employees											
Male	3312	1810	55%	3312	100%	0	0%	0	0%	0	0%
Female	2	0	0%	2	100%	2	100%	0	0%	0	0%
Total	3314	1810	55%	3314	100%	2	0.06%	0	0%	0	0%

* All employees are given option to take insurance cover under Group medical cover of the Company.

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

% of employees covered by											
Category	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity benefits		Day Care benefits	
		No. (B)	%(B /A)	No. (C)	%(C /A)	No. (D)	%(D /A)	No. (E)	%(E /A)	No. (F)	%(F /A)
Permanent employees											
Male	1773	1773	100%	1773	100%	0	0%	0	0%	0	0%
Female	10	10	100%	10	100%	10	100%	0	0%	0	0%
Total	1783	1773	99%	1783	100%	10	0.6%	0	0%	0	0%
Other than Permanent workers											
Male	6418	519	8%	6418	100%	0	0%	0	0%	0	0%
Female	525	0	0%	525	100%	0	0%	0	0%	0	0%
Total	6943	519	7%	6943	100%	0	0%	0	0%	0	0%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY'2021-22			FY'2020-21		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Y	100%	100%	Y
Gratuity	100%	100%	N.A.	100%	100%	N.A.
ESI	100%	100%	Y	100%	100%	Y

3. Accessibility of workplaces

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

Yes, necessary arrangements are undertaken to promote accessibility for differently abled employees and workers based on requirements.

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

Yes, DCM has guidelines on ensuring equal opportunity for differently abled employees, as part of its Human Rights Policy, which is available at <http://dcmshriram.com/company%27s-policies>

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	NA*	NA*	NA*	NA*
Female	100%	100%	NA	NA
Total	100%	100%	NA	NA

* No male employee or worker availed any parental leave during FY'21-22

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	<p>Yes, Grievance Redressal Committee/Works Committee is formed at the Manufacturing Locations. DCM Shriram has also adopted a Whistle blower Policy, which provides a mechanism for employees, including both full-time, part-time employees and contractual workers to report any concerns or grievances. The policy aims to ensure that genuine complainants are able to raise their concerns in full confidence, without any fear of retaliation or victimization and also allows for anonymous reporting of complaints.</p> <p>The designated Ombudsperson administers the entire process - from reviewing and investigating concerns raised and undertaking all appropriate actions towards timely resolution of the issue. All employees and workers have access to the Ombudsperson through email, secure hotline and post.</p> <p>In addition, Grievance Redressal Committees/Works Committees have been constituted at each of the manufacturing locations to receive and address grievances of workers.</p>
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	FY'2021-22			FY'2020-21		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association (s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D / C)
Male	3237	413	13%	2663	436	16%
Female	154	0	0%	126	0	0%
Total Permanent Employees	3391	413	12%	2789	436	16%
Male	1773	545	31%	1671	575	34%
Female	10	0	0%	12	0	0%
Total Permanent Workers	1783	545	31%	1683	575	34%

8. Details of training given to employees and workers:

Category	FY'2021-22			FY'2020-21		
	Total (A)	On Skill Upgradation and Health & Safety Measures		Total (C)	On Skill Upgradation and Health & Safety Measures	
		No. (B)	% (B/A)		No. (D)	% (D/C)
Employees						
Male	3237	3237	100%	2663	2663	100%
Female	154	154	100%	126	126	100%
Total	3391	3391	100%	2789	2789	100%
Workers						
Male	1773	1773	100%	1671	1671	100%
Female	10	10	100%	12	12	100%
Total	1783	1783	100%	1683	1683	100%

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

Category	FY'2021-22			FY'2020-21		
	Total (A)	No. (B)	% (B / A)	Total (C)	No. (D)	% (D / C)
Employees						
Male	3237	3237	100%	2663	2663	100%
Female	154	154	100%	126	126	100%
Total	3391	3391	100%	2789	2789	100%
Workers						
Male	1773	1773	100%	1671	1671	100%
Female	10	10	100%	12	12	100%
Total	1783	1783	100%	1683	1683	100%

10. Health and safety management system:

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

Yes, DCM Shriram has an occupational health and safety management system certified to ISO 45001 at Bharuch, Kota, Sugar & distillery units, Fenesta sites and Shriram Farm Solution business. We have an established EHS function at all sites that facilitates implementation of all policies and protocols related to occupational health and safety effectively. In addition to this, each location has a Safety Committee including representation from plant's senior management and workforce, to drive site-level safety initiatives.

Safety performance is periodically monitored and reviewed by the Corporate EHS team at DCM, through specific leading and lagging indicators. This informs our strategy and action plans to continually strengthen safety systems, in order to fulfill our commitment towards ensuring employee health and well-being.

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

Safety Audits

- Safety audits are conducted across all operations and manufacturing sites, by internal and external safety experts. ISO

45001 audits are also undertaken via external auditors for certain sites.

- At the plant level, we undertake periodic safety inspections, general plant conditions assessment and job safety analysis to identify safety risks and hazards. Process safety audits and equipment health checks are also performed on a routine and non-routine basis.
- Regular audits are undertaken by British Safety Council to review safety procedures and identify any gaps.

Health & Safety Performance Review

- The Corporate EHS team monitors the safety performance of all locations, on specific leading and lagging indicators. Safety tours are conducted by senior leadership teams at all sites.
- Each location has a Safety Committee including representation from plant's senior management and workforce, that meet periodically to review and monitor plant's safety performance

Safety Incident investigation

- Detailed investigation and root cause analysis is performed for each safety incident to implement preventive and corrective actions.

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

Yes, DCM has a safety incident reporting mechanism, as per which employees and workers can report any accidents, near miss incidents or identified safety hazards (unsafe acts and unsafe conditions) to site level safety committees, in Toolbox Talks and to the EHS department.

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

Yes, DCM Shriram provides access to non-occupational medical and healthcare services to employees and workers. Regular medical check-ups, awareness programmes and free of cost diagnostic camps are organised for employees. In addition, DCM Shriram enables health insurance to employees.

In response to the covid pandemic, DCM Shriram undertook following initiatives to promote safety and well-being of all employees:

- DCM Shriram tied up with reputed hospitals across the nation to vaccinate employees and their dependents and to provide home quarantine facilities to our employees at subsidized rates.
- Weekly webinars with leading medical practitioners were conducted to update our employees and their families on the latest developments related to COVID-19.
- Additionally, we on boarded a team of doctors and specialists to support our employees. Employees were covered under the Group Medclaim and COVID-19 specific policies.

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

Safety Incident/Number	Category	FY 2021-22	FY 2020-21
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0	0
	Workers	0.12	0.56
Total recordable work-related injuries	Employees	0	0
	Workers	0	7
No. of fatalities	Employees	0	0
	Workers	2	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

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

All our major operations are certified to ISO 45001. Bharuch and Kota sites are also certified for Five Star British Safety Council Safety System. We follow strict adherence to the policies and procedures for ensuring the health and safety of our employees. We have an established EHS function/ committees at all sites that facilitates implementation of all policies and protocols effectively using KPIs. Services are also availed from reputed external consultants to improve safety culture.

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

	FY'2021-22			FY'2020-21		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	Nil	0	0	Nil
Health & Safety	0	0	Nil	0	0	Nil

14. Assessment for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	>90%
Working Conditions	>90%

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

Necessary corrective and preventive actions were taken to improve the health and safety practices and working conditions based on a time bound action plan accompanied with regular implementation review.

Some of the examples of corrective action include review of the safety procedures for enhanced safety, refresher training programs/campaigns and enhanced engineering controls for achieving safety excellence.

Leadership Indicators

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

(A) Employees: Yes

(B) Workers: Yes

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

DCM Shriram undertakes periodic due diligence to ensure that applicable statutory dues are deducted and deposited by value chain partners. This is also reviewed as part of internal audits and statutory audits conducted by DCM. Furthermore, we regularly engage with value chain partners to sensitize them and ensure they adhere to responsible business practices including such statutory requirements.

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

	Total no. of affected employees/workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY'2021-22	FY'2020-21	F' 2021-22	FY'2020-21
Employees	0	0	0	0
Workers	2	0	0	0

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

Yes

5. Details on assessment of value chain partners:

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

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

No significant risks or concerns were identified from assessments of health and safety practices and working conditions of value chain partners.

PRINCIPLE 4 :

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

Essential Indicators

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

Our management approach is centered around enhancing stakeholder value. We closely collaborate with our stakeholders by regularly engaging with them to understand their distinct needs, interests and expectations. We acknowledge that value is created not only within the organisation but is also created through relationships with others and we perpetually reach out to our internal and external stakeholders through various channels. We keep a continual dialogue process open throughout the year and the outcomes are integrated into the organization's management strategy for effective decision making.

Some of our key stakeholder groups are shareholders, farmers, consumers, employees, local communities, distributors, employees, media, state and central government. We have a formal process of stakeholder engagement built upon transparency and accountability. Materiality assessment has been carried out to prioritize the areas of actions. During the materiality assessment exercise, interactive channels for engagement were established with a wide range of stakeholders such as senior management, employees, suppliers, community, NGO Partners, etc. in order to capture their major areas of concerns and get an understanding of relative prioritization of these issues by them.

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

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key Topics and Concerns raised during such engagement
Employees	No	Intranet facilities, Internal newsletters, Communication meetings, Leader -ship site visits and interactions, Employee engagement survey, Induction and regular training programmes, Tool box talks, Regular drills on safety	Weekly/ Monthly	Vision and mission of the company, Business performance and plans, Welfare, Health and safety of the employees and their families, Assuring support of management to employees, Work place hazards and controls, Skill development, Rewards and recognitions

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly/ others – please specify)	Purpose and scope of engagement including key Topics and Concerns raised during such engagement
Government and Regulatory bodies	No	Regular inspections, Periodic Reports, Regular direct and indirect interactions through industrial associations and other bodies	Monthly/ Annually	Compliance of rules and regulations, Submission of reports under various statutes at specific intervals, Response to any issues raised by government/ regulatory authority, Tax revenues, Ease of doing business through sound corporate governance mechanisms
Shareholders & Investors	No	Annual General Meeting, Corporate Website, Annual Report, Social Media, Grievance Redressal Mechanism	Quarterly	Improved profitability and growth of organisation, Transparent and effective communication, Investor servicing, Sound corporate governance mechanisms
Customers	No	Regular personal Interactions and discussions, Market surveys, Customer surveys, Plant visits Customer	Monthly	Customer Satisfaction, Prompt response to customer complaints, Product/service quality and timely delivery, Building trust among the customers through plant visits
Suppliers, Dealers and Distributors	No	Annual Meet with suppliers and customers, Plant visits, Interactions on a regular basis	Monthly	Share best practices among industries, Competency development of local vendor, Rewards and recognitions
Farmers	Yes	Need based regular interaction by Cane & CSR function, Awareness camps on good agricultural practices	Weekly	Sustainable sugarcane production, Improved livelihood and income of farmers, Easy, affordable and reliable access to inputs such as quality seeds, fertilizers etc.
Local Communities	Yes	Open dialogue with local communities, Need based surveys to understand community requirements, Awareness meets and Health camps, Celebration of cultural festivals/ occasion (Environment day, Safety day etc.), Public hearing for greenfield/expansion projects	Monthly	Health and hygiene in rural community, Education & infrastructure, Good agricultural practices, Water conservation and Waste management

Civil Society	No	Collaboration of various CSR projects	Monthly	Community developmental needs such as Healthcare, Education & Rural development etc.
Industry Associations	No	Meetings, Seminars, Workshops	Monthly	Networking, Industry collaborations, establishing best practices
Media	No	Advertisements/ promotions, Press	Quarterly	Publishing reports, Releasing relevant reports regularly

Leadership Indicators

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

DCM Shriram conducts a comprehensive materiality assessment and stakeholder engagement exercise once every two years to identify and re-evaluate its environmental and social topics. The process has been delegated by the Board to the management. As part of the materiality assessment exercise, DCM Shriram engages with key internal and external stakeholders to understand their concerns and expectations and incorporate their views into the materiality assessment for prioritizing social and environmental topics. Insights gathered through stakeholder engagement are analysed to develop the materiality matrix and arrive at the final list of environmental and social topics for DCM Shriram. Results of this assessment are presented to the EHS team of the Board by the Sustainability Function, for defining ESG targets and initiatives.

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

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

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

We have been engaging with famers, many of which belong to the vulnerable / marginalized stakeholder groups and face issues such as lower crop productivity and resulting lower income generation. These sugarcane growers are member of Cooperative Cane Union and a

Union of the farmers. DCM regularly educates these farmers are on good farming practices to produce sugarcane by using less irrigation water through trash mulching, trench planting, press mud application, laser land leveling and in addition using bio-control measures for controlling pests and diseases in sugarcane crop. The Company has created many engagement platforms including e-Suvidha App, WhatsApp Groups, Teleconferencing, Suvidha Centre (Call Centre) connecting to more than 1.5 Lac Farmers. These initiatives have reaped many benefits to farmers related to support in yield increase, tagging and booking of Agri-inputs, faster query redressal etc.

PRINCIPLE 5 : Businesses should respect and promote human rights Essential Indicators

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

Category	FY'2021-22			FY'2020-21		
	Total (A)	No. of employee /workers covered (B)	% (B/A)	Total (C)	No. of employee /workers covered (B)	% (D/C)
Employee						
Permanent	3391	3391	100%	2789	2616	94%
Other than permanent	3314	3314	100%	2857	2857	100%
Total Employees	6705	6705	100%	5646	5473	97%
Workers						
Permanent	1783	1783	100%	1683	1683	100%
Other than permanent	6943	6943	100%	4334	2131	49%
Total Workers	8726	8726	100%	6017	3814	63%

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

Category	FY2021-22				FY 2020-21			
	Total (A)	Equal to Minimum Wage		More than Minimum Wage	Total (A)	Equal to Minimum Wage		More than Minimum Wage
	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (E)	% (E/D)	No. (F)	% (F/D)
Employees								
Permanent								
Male	3237	0	0%	3237	100%	2663	0	0%
Female	154	0	0%	154	100%	126	0	0%
Other than Permanent								
Male	3312	0	0%	3312	100%	2856	0	0%
Female	2	0	0%	2	100%	1	0	0%
Workers								
Permanent								
Male	1773	690	39%	1083	61%	1671	635	38%
Female	10	0	0%	10	100%	12	0	0%

Category	FY'2021-22				FY'2020-21			
	Total (A)	Equal to Minimum Wage		More than Minimum Wage	Total (A)	Equal to Minimum Wage		More than Minimum Wage
	No. (B)	% (B/A)	No. (C)	% (C/A)	No. (E)	% (E/D)	No. (F)	% (F/D)
Other than Permanent								
Male	6418	3353	52%	3065	48%	3827	1594	42%
Female	525	522	99%	3	1%	507	502	99%

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

Category	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (in INR Lakhs)	Number	Median remuneration/ salary/ wages of respective category (in INR Lakhs)
Board of Directors (BoD) Key Managerial Personnel	12	110.07	2	47.00
Employees other than BoD and KMP	3230	7.63	154	7.05
Workers	1773	3.48	10	3.87

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

Yes

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

We have institutionalized a mechanism to allow for reporting and remediation of all human rights violations through our Whistle Blower Policy. This allows all employees, contractors and suppliers to report any human rights-related concerns. All actual violations are dealt seriously with remediation actions depending upon the severity of the violation and can also include termination of employees and business contracts.

Further, DCM Shriram has a Policy on the Prevention of Sexual Harassment (POSH), and any such incidents can be reported to the Internal Committee (IC) for POSH as per the process defined in the policy. Each reported allegation is taken seriously and handled confidentially. Open House Forums and Town Halls, one to one/ Group HR connects are organized from time to time. Monthly meetings with union representatives are also conducted.

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

Complaints	FY'2021-22			FY'2020-21		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	Nil	0	0	Nil
Discrimination at workplace	0	0	Nil	0	0	Nil
Child Labour	0	0	Nil	0	0	Nil
Forced Labour/ Involuntary Labour	0	0	Nil	0	0	Nil
Wages	0	0	Nil	0	0	Nil
Other Human Rights related issues	0	0	Nil	0	0	Nil

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

As per the Whistle Blower Policy and process, DCM Shriram assures that the employees and business associates are fully protected against reprisals, punishment, intimidation, coercive action, dismissal or victimization for reporting genuine concerns made in good faith even if not proven. Anyone who attempts to victimize any person who complains, co-operates or provides information/data relating to an investigation or complaint, is liable to face punitive action.

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

Yes

9. Assessments for the year:

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

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

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

Leadership Indicators

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

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

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

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

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

Yes, necessary arrangements are undertaken to promote accessibility for differently abled employees and workers based on requirements.

4. Details on assessment of value chain partners:

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

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

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

PRINCIPLE 6:

Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

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

Parameter	FY'2021-22	FY'2020-21
Total electricity consumption (A)	2,009 TJ	1261 TJ
Total fuel consumption (B)	43,457 TJ	45,371 TJ
Energy consumption through other sources (C)	0.34 TJ	0.37 TJ
Total energy consumption (A+B+C)	45,466 TJ	46,632 TJ

Parameter	FY'2021-22	FY'2020-21
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	0.05 TJ/ Lacs INR	0.06 TJ/ Lacs INR
Energy intensity (optional) - the relevant metric may be selected by the entity	16.13 GJ/ t Prod	17.49 GJ/ t Prod

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

Yes, KPMG Assurance and Consulting Services LLP

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. Incase targets have not been achieved, provide the remedial action taken, if any. FY 2021-22 (Current Financial Year)

S. No / Facility identified as Designated Consumers (DC)	If yes, provide details of Target achieved during FY'2021-22	If no, provide details of remedial action taken	Remarks
1. Chlor Alkali, Bharuch	No target set under PAT scheme for FY 2021-22		Target of specific energy consumption @ 0.7684 MTOE / MT to be achieved from 2022-23 to 2024-25
2. Chlor Alkali, Kota			Target of specific energy consumption @ 0.7061 MTOE / MT to be achieved from 2022-23 to 2024-25
3. Cement, Kota			During FY 2018-19: 0.1091 MTOE / MT was achieved against target of 0.1114 MTOE / MT
4. Fertilizer (Urea), Kota			During FY 2018-19: 0.4567 MTOE / MT was achieved against target of 0.4433 MTOE / MT for which 5328 EScerts surrendered from our banked EScerts

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

Parameter	FY'2021-22	FY'2020-21
Water withdrawal by source (in kiloliters)		
(i) Surface water		
(ii) Groundwater	1,78,1030	2,002,982
(iii) Third party water	12,417,551	12,079,362
(iv) Seawater / desalinated water	-	-
(v) Others	-	-
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)	14,198,581	14,082,343
Total volume of water consumption (in kiloliters)	14,198,581	14,082,343
Water intensity per rupee of turnover (Water consumed /turnover)	14.42 KL/ Lacs INR	16.95 KL/ Lacs INR
Water intensity (optional) - the relevant metric may be selected by the entity	5.04 KL/ t Prod	5.28 KL/ t Prod

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

Yes, KPMG Assurance and Consulting Services LLP

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

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

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

Parameter	Please specify unit	FY'2021-22	FY'2020-21
Nox	kg/t of Product	0.71	0.77
SOx	kg/t of Product	0.62	0.66
Particulate matter (PM)s	kg/t of Product	0.76	0.80

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

Yes, KPMG Assurance and Consulting Services LLP

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

Parameter	Unit	FY'2021-22	FY'2020-21
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	2,628,860	2,516,355
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	440,811	276,774
Total Scope 1 and Scope 2 emissions per rupee of turnover	tCO2e/ Revenue in Lacs INR	3.12	3.36
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity	tCO2e/ t Production	1.09	1.05

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

Yes, KPMG Assurance and Consulting Services LLP

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

The below initiatives has resulted in cumulative reduction of 24,99,449 tCO2e emissions

- Use of Biomass in the energy mix at Bharuch and Kota
- Use of Bagasse and Slop for generating power
- Heat Rate Improvement in P35 Operations: Replacement of 4K heater with upgraded heater. The feed water outlet temperature increased from 134°C to 149°C
- Auto combustion control of P66 Boilers of Captive Power Plants (CPP)
- Installation of New Screw Compressor for Instrument air in place of 2 old reciprocating air compressors for Auxiliary Power Reduction in 35 MW CPP
- Auxiliary Power Reduction in Pump House
- Installation of solar streetlights
- Replacement of conventional light fitting with LED
- Utilization of wastes for co-processing in cement kiln

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

Parameter	FY'2021-22	FY'2020-21
Total Waste generated (in metric tonnes)		
(i) Plastic Waste	1462	86
(ii)(a) E-waste (t)	6.14	0
(ii)(b) E-waste (Nos)	153	1493
(iii) Biomedical waste	0.058	0.045
(iv) Construction and demolition waste	Not Applicable	Not Applicable
(v)(a) Battery waste (t)	5.2	0
(v)(b) Battery waste (Nos)	1729	121
(vi) Radioactive waste	Not Applicable	Not applicable
(vii) Other hazardous waste	329	309
(viii) Other non-hazardous waste	523271	386328
Total (sum of above in tonnes)	525073	386723
Total sum of above in numbers for e-Waste (ii)(b) and Battery Waste (v)(b)	1882	1614
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	5,06,701	3,71,754
(ii) Re-used	0	0
(iii) Other recovery operations	0	0
Total	5,06,701	3,71,754
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	0	0
(ii) Land filling	18,373	14,969
(iii) Other disposal operations	0	0
Total	18,373	14,969

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

Yes, KPMG Assurance and Consulting Services LLP

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

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

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

At DCM Shriram, we adopt the 3R approach of Reduce, Reuse and Recycle to manage our environmental footprint. All non-reusable waste

are disposed of through authorised recyclers approved by Central and State Pollution Control Boards.

The Company is manufacturing cement through the utilisation of waste lime sludge from Calcium Carbide and fly ash from Thermal Power Plant.

In sugar business, entire captive power utilization is met from Biofuel (Bagasse) which is a by-product of sugar cane and captive power of ethanol plant is met from mixed fuel of Slop (waste of ethanol) and bagasse.

Wastes generated during sugar processing like boiler ash and press mud cake are used as organic manure and distributed to the farmers for soil amelioration.

Dilute Sulphuric Acid (78-80%) generated from the caustic soda process plant is 100% recycled through utilization by nearby industries with approval from GPCB.

Plastic drums that are generated from various raw materials used in the plants are re-used in the processes for handling intermediate products. In distillery units, plastic drums are sent back to the supplier of the raw material for refilling. During the year 1443 nos. plastic drums were re-used.

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

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

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Expansion of Distillery from 300 KLPD to 500 KLPD & Co-Generation Power Plant from 12 MW to 22.0 MW by installation of new 200 KLPD Multi-feed-based bapur	EC21A02 2UP139038	7.02. 2021	Yes	Yes	www.dcmshriram.com

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Ethanol Plant along with 10.0 MW Co-Generation Power Plant at DCM Shriram Limited Distillery Unit: Ajbapur					

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

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

Leadership Indicators

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

Parameter	FY'2021-22	FY'2020-21
From renewable sources		
Total electricity consumption (A)	0.34 TJ	0.37 TJ
Total fuel consumption (B)	15,508 TJ	18,568 TJ
Energy consumption through other sources (C)	-	-
Total energy consumed from renewable sources (A+B+C)	15,508 TJ	18,568 TJ
From non-renewable sources		
Total electricity consumption (D)	2,009 TJ	1,261 TJ
Total fuel consumption (E)	27,949 TJ	26,803 TJ
Energy consumption through other sources (F)		
Total energy consumed from non-renewable sources (D+E+F)	29,958 TJ	28,064 TJ
Specific Energy (GJ/ t Prod)	16.13	17.49

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

Yes, KPMG Assurance and Consulting Services LLP

2. Provide the following details related to water discharged:

Parameter	FY'2021-22	FY'2020-21
Water discharge by destination and level of treatment (in kilolitres)-		
(i) To Surface water		
- No treatment		
- With treatment - please specify level of treatment	1,868,207 (primary treatment)	1,828,977 (primary treatment)
(ii) To Groundwater		
- No treatment		
- With treatment - please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment - please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment - please specify level of treatment	286,638 (primary treatment)	297,475 (primary treatment)
(v) Others		
- No treatment		
- With treatment - please specify level of treatment	2,354,497 (tertiary treatment)	2,463,278 (tertiary treatment)
Total water discharged (in kilolitres)	4,509,342	4,589,730

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

Yes, KPMG Assurance and Consulting Services LLP

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

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

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

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

Not Applicable.

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

Not applicable as we are not accounting Scope 3 emission for the reporting year.

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

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

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

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
	Water	Due to various initiatives for Water Conservation and Rainwater Harvesting, the Company was able to sustain water positive status and achieved 11 times water positive during the FY'2021-22	
1		Ajbapur: 1. Utilization of surplus condensate by adopting in-house innovative technology 2. Utilization of treated ETP water in power plant through scalecap technology 3. Sugar process operated without bore well water extraction in this season at Ajbapur.	880 KLD saved
2		Rupapur: Water Saving Initiatives - 1. Saving in fresh water through reduction in DM water losses 2. Saving in chemical preparation. 3. Installation of Digital Timer for tube-well operation 4. Provided Water Efficient Faucets for domestic uses.	18% reduction in Absolute Water Consumption in comparison to last FY'2020-21 (Total water - 164638 KL) & FY'2021-22 - (Total water consumption - 135436 KL)

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
		5. Reuse of Treated Water in Toilet Flushing & Car washing 6. Reuse of excess condensate water during plant stoppages	
3		Distillery: Water savings initiatives through recycling of treated effluent	Reduction in specific water consumption by 6%
4		Kota: Recycling of Steam Condensate and RO Water for Cooling Tower recycling	Water consumption reduced by 4% and Effluent generation reduced by 8%
5		Bharuch: <ul style="list-style-type: none"> Collection of steam condensate through steam traps in decentralized manner and reuse in process. Changes in new upcoming cooling tower selection process to reduce drift and evaporation losses. RO plant in Power plant cooling water system to reduce cooling tower blow down 	Specific water consumption reduced by 14% resulting in reduced fresh water consumption
6	Energy	2-stage pumping of un-sulphured syrup has been converted to single stage pumping at Ajbapur	Saving of 5.7 Lac units
7		Conventional starter replaced by VFD at Cane unloader at Hariawan	Reduction in energy consumption @ approx. 50 KWh/Day
8		Rupapur: Power Saving Initiatives Like - Installation of Energy Efficient Compressor, Planetary Drives, LED Light fittings & small modification in Sulphatic Juice Pump delivery line etc.	Power Saved 4.8 Lac KWH
9		Kota: <ul style="list-style-type: none"> - 7% Reduction in power consumption in Cement plant - 2.6% reduction in power consumption in Carbide plant - Around 7% increase in biomass usage in energy mix for power generation 	Reduced GHG emissions
10	Waste	Recycling of Lime sludge, Fly ash and Bagasse for Cement manufacturing and generation of power.	25% of the materials recycled as raw materials
11		Bulk transportation of PVC to PVC Compounding plant has resulted in elimination of HDPE bags usage that has reduced the GHG emission.	GHG reduction and waste minimization
12		Food waste converter machine has been installed in canteen to produce compost which is utilized in the green belt area of plant premises	Improved soil health
13		Optimising operation of Sulphate Recovery System resulted into low generation of brine sludge	Reduced disposal to landfill
14		In Aluminium Chloride Plant, process modification has resulted in reduced solid hazardous waste generation by 65%	Reduced disposal to landfill

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

YES. We have an emergency response plan in place in case of any unforeseen emergencies at all our manufacturing sites as part of our business continuity strategy. Regular training is conducted for all the concerned on the use of equipment like fire extinguishers and First-Aid treatment. Mock drills are also conducted at regular intervals on various emergency scenarios for an effective response in case of any emergencies. Risk mapping is being done for all such risks based on their likelihood and impact. Audits and mock drills are regularly being carried out for making the system more robust and to check the healthiness of the emergency response procedure.

Emergency preparedness plan includes:

- Key risks/ hazards
- Evaluation of probability or occurrence and impact
- Mitigation plan with assigned responsibilities
- Communicated to all the relevant stakeholders

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

- Agriculture contributes to adverse environmental impacts such as, excessive water consumption, water pollution due to pesticide run-off, soil degradation, etc. DCM Shriram is undertaking multiple initiatives by engaging farmers to promote sustainable agricultural practices. For instance, treated water from our sugar sites is provided to farmers for irrigation, reducing the amount of fresh ground water withdrawn. DCM Shriram is also providing press mud, sludge and bagasse ash from sugar mills to farmers for soil amelioration in order to reduce the usage of chemical fertilizers.
- In order to reduce impact of emission arising out of transportation, finished products such as Chlorine, Caustic lye and Hydrogen at our Bharuch site are transported through pipelines in place of trucks/tankers saving use of fossil fuels in transportation. Furthermore, at our Kota site, raw materials and finished products are transported in racks saving fossil fuel to reduce GHG emission.
- Initiatives are undertaken for waste minimization, reuse and recycling to mitigate its impact on the environment. Lime sludge, fly ash and bagasse are recycled for utilization in manufacturing cement and generating power. Also majority of the wastes generated from the processes are recycled on-site and off-site for its effective utilization with an objective of reducing waste for disposal to landfill. Plastic wastes introduced into the market through the finished products such as Cement, Urea, Sugar and PVC in the form of plastic bags are also recycled through the authorized plastic re-processors in line with our EPR obligation.

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

100%

PRINCIPLE 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

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

20

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

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

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

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

Leadership Indicators

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

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

PRINCIPLE 8 : Businesses should promote inclusive growth and equitable development

Essential Indicators

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

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

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

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

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

As part of the program design regular feedback are taken and grievances of the community are addressed.

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

	FY'2021-22	FY'2020-21
Directly sourced from MSMEs/ small producers	18%	17%
Sourced directly from within the district and neighboring districts*	92%	89%

*The information provided is for Sugar & Distillery Business

Leadership Indicators

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

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

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

S. No.	State	Aspirational District	Amount spent (In INR)
1	Uttar Pradesh - Agri Skilling project	Sonbhadra	2,000,000

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

Yes

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

In our Sugar and Distillery business, we procure sugarcane from majority (> 70%) of the local farmers who are small land holding farmers.

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

>80% (For Sugar and Distillery Business)

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

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

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

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

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

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Preventive Healthcare Initiative - Pregnant Women covered	1944	100%
2	Preventive Healthcare Initiative - Lactating Mothers covered	957	100%
3	Preventive Healthcare Initiative - Adolescent Girls covered	8000+	100%
4	Preventive Healthcare Initiative - Population coverage for awareness/ Health camps	44350	100%
5	Nutrition Program - Poshan Kits distributed	2153	100%
6	Sanitation Initiative - Handwash Training to Children	3500+	100%
7	Sanitation Initiative - ODF ++ coverage households	1271	100%

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
8	Sanitation Initiative - Number of Families benefitted from Household Toilet construction	200	100%
9	Education Initiative - Number of students benefitted	2500+	100%
10	Livelihood Initiative - Number of farmers benefitted	900	100%
11	Vocational Skills Initiative - Number of Girls trained in Tailoring	120	100%
12	Vocational Skills Initiative - Number of students trained in Mobile repairing	51	100%
13	Vocational Skills Initiative - Number of students trained in computer repair	50	100%
14	Rural Development Initiative - Infrastructure Development - Roads, Street Lights etc.	10000 (approx.)	100%

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

Essential Indicators

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

DCM provides multiples avenues to customers to raise queries or complaints and provide feedback. We have set up a dedicated customer care service to receive and address customer complaints and grievances via tele calling in Sugar, SFS, Bioseed and Fenesta businesses. Customers can also raise their concerns on a dedicated email/ contact number as provided on the company website for each of the businesses.

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

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

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

	FY'2021-22		Remarks	FY'2020-21		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	0	0		0	0	
Advertising	0	0		0	0	
Cyber -security	0	0		0	0	
Delivery of essential services	0	0		0	0	
Restrictive Trade Practices	0	0		0	0	
Unfair Trade Practices	0	0		0	0	
Other	33	0	Quality, weight, shortage related complaints for Chemicals business	55	0	Quality, weight, shortage related complaints for Chemicals business

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

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

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

Yes. The company has in place a framework on cyber security and risks related to data privacy.

The company has data privacy policy in place. The link is: <https://www.dcmshriram.com/privacypolicy#:~:text=DCM%20Shriram%20does%20not%20actively,your%20e%2Dmail%20address>

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

No such case has been reported.

Leadership Indicators

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

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

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

Additional information relevant to consumers is displayed on the product label to enable the consumers to derive higher value and ensure appropriate use. Additional information relating to safe handling, directions of use of products and specific certifications obtained by the Company, is also provided wherever applicable. The guiding approach in making disclosures is transparency and empowerment of the consumers. The company displays product information on the product label as per local laws. For example, in case of Calcium Carbide, apart from product information the message of non-usage of carbide for fruit ripening is also displayed clearly. MSDS is also supplied for various products to ensure safe transportation and educate consumers about safe and responsible usage of the products. Directions for Use (DFUs) are given along with the crop protection products.

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

Yes, customer are proactively informed about any disruption in the delivery of product/services, through e-mail/call/in-person visit.

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

No

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

Yes, Consumer feedback is valued by the Company and it actively engages with consumer both through formal and informal mechanisms like surveys, direct feedback taken by sales teams and plant personnel, one to one meeting, dealer get together and the like. Consumer surveys and channel satisfaction surveys are routinely carried out to fine tune operational strategies.

6. Provide the following information relating to data breaches:

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

There has been no instance of data breach.

b. Percentage of data breaches involving personally identifiable information of customers.

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

Board's Report

The Directors have pleasure in presenting the 33rd Annual Report of the Company along with Audited Financial Statements, both standalone and consolidated, for the year ended 31st March, 2022.

Financial Highlights

The results for the year ended 31.03.2022 and 31.03.2021 are as under:

(Rs. in Crores)

Particulars	Standalone		Consolidated	
	31.3.2022	31.3.2021	31.3.2022	31.3.2021
Revenue from operations	9,676.55	8,211.99	9,849.41	8,308.16
Profit before finance cost, depreciation and tax	1,859.16	1,227.42	1,888.30	1,244.28
Profit before tax	1,539.56	875.77	1,564.98	889.17
Profit after tax	1,048.75	662.48	1,066.13	672.26
Share of profit/(loss) of joint venture	-	-	1.22	1.73
Non-controlling interest	-	-	-	(0.71)
Other comprehensive income (after tax)	(8.41)	6.84	(10.20)	4.39
Total comprehensive income (after tax)	1,040.34	669.32	1,057.15	677.67
Basic/Diluted - EPS (Rs. per equity share)	67.25	42.48	68.45	43.17
Retained earnings- opening balance	4,655.69	4,072.45	4,559.92	3,963.29
Add/(less):				
Profit for the year	1,048.75	662.48	1,067.35	673.28
Dividends paid during the year	(212.08)	(85.77)	(212.08)	(85.77)
Others	4.49	6.53	4.86	9.12
Retained earnings - closing balance	5,496.85	4,655.69	5,420.05	4,559.92

State of Company's Affairs/Performance

During FY'22, your Company witnessed strong operating and financial performance, despite the challenges arising from second and third waves of Covid-19, supply chain disruptions and high energy prices. Russia-Ukraine conflict is adding to uncertainties. The businesses have been resilient during these times.

The earnings were driven higher mainly by improvement in margins despite higher input rates as product prices rose substantially higher. The Chloro-vinyl business reported strong growth driven by higher realizations in line with international prices and volumes. Businesses viz. Shriram Farm Solutions and Fenesta also witnessed satisfactory growth led by higher volumes, benefiting from the improvement in overall economic scenario. The Sugar business, however witnessed lower earnings as both domestic and export volumes were lower, constraint of molasses availability during off season and higher costs of Sugar cane, lower production and lower sugar recovery.

Your Company's total revenues from operation at a standalone level stood at Rs. 9,677 Crores in FY'22 vs. Rs. 8,212 Crores last year. Chloro-vinyl business registered a growth in revenue of about 79% driven by higher realizations for all products and higher volumes for chlor-alkali business. Revenue for sugar business declined by 27% due to lower export and domestic sugar volumes. Shriram Farm Solutions business registered an 11% growth in revenue, Fenesta business registered a growth of 47% led by volumes and prices, and Fertilizer business revenue also witnessed a growth of ~ 47% led by higher gas prices, while the revenue from Bioseed business declined by 13% led by volumes.

Profit before depreciation, interest and tax, improved to Rs. 1,859 Crores, up ~51% over last year. The same is up ~52% on a consolidated basis.

The improvement was driven by ~168% increase in PBDIT of chlor-alkali business due to both higher realizations and higher volumes. Vinyl business' PBDIT recorded an increase of ~72% driven by higher realizations. Sugar business recorded a decline of 20% in PBDIT in current year as the volumes were lower along with higher costs in the current season. Agri-input business of Shriram Farm Solutions recorded ~24% growth in PBDIT led by higher volumes. Fenesta business also recorded ~95% growth in PBDIT, led by higher volumes and prices. Bioseed and Cement businesses registered de-growth in PBDIT. Overall PBDIT margins improved to ~19% from ~15% last year.

Net Profit on standalone basis for FY'22 is up by 58% to Rs. 1049 Crores from Rs. 662 Crores for FY'21. It is up by ~59% on a consolidated basis. Net Debt as on March 31, 2022 stood at Rs. 4 crore vis-à-vis Rs. 135 crore as on March 31, 2021. Net Debt to equity stood at 0.01x as on March 31, 2022 vs 0.04x as on March 31, 2021.

The Company commissioned following project during FY'22 at an investment of ~ Rs. 39 Crores:

- Electrolysers cell units, cathode and anode replacement at Kota, commissioned in Q4'22.

The following projects are under implementation at the Bharuch complex:

- The 700 TPD caustic soda plant along with 500 TPD flaker has been recalibrated and we will be expanding our caustic capacity at Bharuch by 850 TPD and Flakes capacity by 600 TPD, to be commissioned by Q4 FY 23 / Q1 FY 24.
- Hydrogen Peroxide facility with a capacity of 52500 TPA expected to be commissioned by Q4 FY 23 / Q1 FY 24.
- Epichlorohydrine (ECH) facility with a capacity of 51000 TPA along with Glycerin purification facility expected to be commissioned by Q4 FY'23 / Q1 FY'24.
- Expansion of Anhydrous Aluminum Chloride capacity by 32850 TPA to be commissioned in phases by Q4 FY'23.
- 120 MW coal based new power plant is underway and is expected to be commissioned in Q2 FY'23.
- Hydrogen Compressors with total capacity of 60398 NM3 per day, implementation progressing as per schedule and expected to be commissioned by Q4 FY '23/Q1 FY '24.

The following Projects announced for sugar business in FY'22 are progressing as per schedule:

- 120 KLD multi-feed distillery at Ajbapur expected to be commissioned by Q3 FY '23.
- Crushing capacity Expansion at Ajbapur (3000 TCD) along with full conversion to Refined Sugar (13500 TCD) and Additional Grain Attachment (260 KLD), expected to be commissioned by Q3 FY '23.
- Hariawan Refinery Expansion (8000 TCD), expected to be commissioned by Q3 FY '23.

Dividend

Your Directors are pleased to recommend a final dividend @ 245% i.e. Rs. 4.90/- per equity share of Rs. 2/- each for the year ended 31.03.2022, which if declared by the Members, the total dividend for the financial year 2021-22 will aggregate to 735% i.e. Rs. 14.70/- per equity share of Rs. 2/- each (including the interim dividends @ 490% i.e. Rs. 9.80 per equity share paid during the year).

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

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

Number of Meetings of the Board

The Board met 6 times during the financial year FY'22 on 04.05.2021, 20.07.2021, 13.09.2021, 19.10.2021, 08.11.2021 and 18.01.2022.

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

The details regarding the performance and financial position of Company's Subsidiaries, Associate and JV are given in **Annexure-1** of this Board's Report.

• Key updates on subsidiaries of the Company

- (i) The liquidation of Shriram Bioseed (Thailand) Limited, a step down subsidiary of the Company, is completed on 15th June 2021.
- (ii) The Company acquired 1,732,500 equity shares of Shriram Polytech Ltd. (earlier known as Shriram Axiall Pvt. Ltd.) (a 50:50 JV between the Company and Axiall LLC, USA), from Axiall LLC being entire 50% of the paid-up share capital held by Axiall LLC in Shriram Polytech Ltd.. Post acquisition, it has become the wholly owned subsidiary of the Company.

• Key updates relating to subsidiaries of the Company since the end of the Year and till the date of this Report

- (i) The Scheme of Amalgamation for merger of Bioseeds Limited, Mauritius into Shriram Bioseed Ventures Limited (both wholly owned subsidiaries of the Company) has been approved by Hon'ble National Company Law Tribunal (NCLT) vide its order dated 29th March 2022 which became effective on 27th April 2022 on filing the certified copy of order of NCLT with Registrar of Companies.

Risk Management Framework

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

Company's Policy on Directors' Appointment and Remuneration

The criteria for Directors' appointment has been set up by the Nomination, Remuneration and Compensation Committee (NRCC), which, inter-alia, includes criteria for determining qualifications, positive attributes, independence of a Director, basis/criteria of remuneration to Directors / KMPs and other matters provided under Sub-section (3) of Section 178 of the Companies Act, 2013 ('the Act').

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

https://www.dcmshriram.com/sites/default/files/Remuneration%20Policy_0.pdf

Corporate Social Responsibility (CSR)

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

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

Vigil Mechanism/Whistle Blower Policy

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

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

Internal Complaint Committee on POSH

The Company has complied with the provisions relating to constitution of Internal Complaint Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH"). No case was reported on sexual harassment during the FY'22.

Cost Records

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

Related Party Transactions

During the FY'22, there has been no materially significant related party transaction between the Company and its related parties which requires disclosure in Form AOC-2.

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

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

Material Subsidiary Policy

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

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

Particulars of Loans, Guarantees or Investments

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

Fixed Deposits

1. The details relating to deposits for the FY'22, covered under Chapter V of the Act:
 - a) accepted including renewals during the year : Rs.25,59,94,055/-
 - b) remained unclaimed as at the end of the year : Rs.3,58,563/-
 - c) there has been no default in repayment of deposits or payment of interest thereon during the FY'22
2. All the deposits are in the Compliance with the requirements of Chapter V of the Companies Act, 2013.

Internal Financial Control with respect to Financial Statements

The Company has in place adequate Internal Financial Controls with respect to financial statements. No material weakness in the design or operation of such controls was observed during the FY'22.

DCM Shriram Employee Stock Purchase Scheme

The Company has an Employee Stock Purchase Scheme (DCM Shriram ESPS) duly approved by Members, vide Special Resolution passed on August 13, 2013 and later aligned in accordance with SEBI (Share Based Employee Benefits) Regulations, 2014. DCM Shriram ESPS provides for grants of equity shares through Trust, purchased from secondary market, to the eligible Employees as may be decided by the Nomination, Remuneration and Compensation Committee from time to time. DCM Shriram ESPS is a secondary market scheme and hence no fresh issue of shares was made. There are no voting rights exercised on the shares held by the Trust. Further, there are no material changes in the DCM Shriram ESPS and it is in compliance with the applicable regulations. The details required as per SEBI (Share Based Employee Benefits) Regulations, 2014 is available on the Company's website at the following web link:

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

Directors and Key Managerial Personnel (KMP)

Mr. K.K Kaul and Ms. Sarita Garg, Directors liable to retire by rotation at the ensuing Annual General Meeting (AGM), and being eligible, offer themselves for re-appointment.

The requisite details in connection with the appointment / re-appointment of Directors as above are provided in the Notice of said AGM.

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

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

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

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

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

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

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

The Board as a whole discussed the inputs on performance of Board/Committees/Individual Directors and performed the evaluation.

B. Criteria of evaluation as approved by the NRCC

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

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

Particulars of Employees and Managerial Remuneration

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

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

Composition of Audit Committee

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

Composition of other Committees

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

Annual Return

In terms of Section 92(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the annual return of the Company is available on the Company's website at the following web link:-

https://www.dcmshriram.com/annual_reports

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

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

Secretarial Audit Report

The Board appointed M/s. Sanjay Grover & Associates, Company Secretaries, to conduct the Secretarial Audit for the FY'22. The Secretarial Audit Report for the said financial year is attached as **Annexure-4** to this Board's Report. The Secretarial Audit Report does not contain any qualification or reservation or adverse remark or disclaimer.

Secretarial Standards

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

Corporate Governance

The Company is committed to adhere to best corporate governance practices. The separate sections on Management Discussion and Analysis, Corporate Governance and a certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under SEBI Listing Regulations forms part of this Annual Report as a separate section.

Statutory Auditors

Pursuant to Section 139 of the Act, the Statutory Auditors of the Company, M/s. Price Waterhouse Chartered Accountants LLP (FRN No.012754N/N500016) were appointed by the Members in its 28th Annual General Meeting (AGM) held on 01.08.2017 for a period of five years i.e. from the conclusion of 28th AGM till the conclusion of 33rd AGM.

The Report given by the Statutory Auditors on the financial statements of the Company is part of the Annual Report. The report is unmodified and there are no qualifications, reservation, adverse remark or disclaimer in the Report.

Directors' Responsibility Statement

Your Directors state that:

- in preparation of annual accounts for the year ended 31st March, 2022, the applicable accounting standards have been followed and there are no material departures;
- they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2022 and of the profit of the Company for that period;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- they have prepared the annual accounts on a going concern basis;
- they have laid down internal financial controls as followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Significant and material orders

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

Industrial Relations

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

Acknowledgments

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

New Delhi
5.5.2022

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

Performance and financial position of Company's Subsidiaries and Joint Ventures

Name of the subsidiary	DCM Shriram Credit and Investments Ltd. (1)	DCM Shriram Foundation (2)	Hariyali Rural Ventures Ltd. (3)	Shriram Blossed Ventures Ltd. (4)	Blossed India Ltd. (5)	DCM Shriram Infrastructure Ltd. (6)	DCM Shriram Aqua Foods Ltd. (7)	Fenesta India Ltd. (8)	Shriram Polytech Limited (9)*	Shriram Shriram Foundation (10)	Shriram Blossed (Thailand) Ltd. (11)	Blossed Research USA INC. (12)	Blossed Holdings Pte. Ltd. (13)	Blossed Research Philippines, INC (14)
The Date since when the subsidiary was acquired.	12-05-1993	30-11-2007	18-12-2007	30-06-2007	20-07-2000	12-12-2003	12-06-1995	18-12-2008	19-10-2021	02-09-2010	16-06-2006	12-07-2012	31-01-2009	16-07-2002
Reporting period for the subsidiary concerned, if different from the holding Company's reporting period	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	USD RS. 75.795/ USD	USD RS. 75.795/ USD	USD RS. 75.795/ USD	USD RS. 75.795/ USD
Share capital	9.00	0.01	1.00	4.05	0.10	0.05	8.35	0.05	3.47	0.05	-	0.002	106.29	52.58
Other Equity	(3.85)	(0.06)	(1.02)	(45.43)	(0.07)	(32.20)	(5.06)	0.02	53.90	(0.03)	-	-	(254.01)	0.40
Total assets	12.89	3.24	3.32	151.30	0.04	0.11	3.30	1.41	92.08	0.03	-	0.02	64.64	110.55
Total Liabilities	7.74	3.29	3.34	192.68	0.01	32.26	0.01	1.34	34.71	0.01	-	0.02	212.36	57.57
Investments	1.05	-	-	0.13	-	-	-	-	-	-	-	-	41.92	-
Turnover	0.76	7.47	0.02	20.63	-	-	0.10	0.49	91.88	-	-	-	0.34	104.58
Profit/(loss) before taxation	0.21	-	0.01	(5.47)	(0.003)	(0.09)	0.01	0.04	3.35	-	-	(0.02)	(9.65)	26.23
Provision for taxation	-	-	-	-	-	-	0.03	0.02	0.86	-	-	-	-	6.57
Profit/(loss) after taxation	0.21	-	0.01	(5.47)	(0.003)	(0.09)	(0.02)	0.02	2.49	-	-	(0.02)	(9.65)	19.66
Other Comprehensive income	0.26	-	-	-	-	-	-	-	0.08	-	-	-	-	(0.16)
Total Comprehensive income	0.47	-	0.01	(5.47)	(0.003)	(0.09)	(0.02)	0.02	2.57	-	-	(0.02)	(9.65)	19.50
Proposed Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-
% of shareholding	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	99.99%	100.00%	100.00%	99.99%

Notes:

- In case of foreign subsidiaries, the assets and liabilities have been translated into Indian Rupees at the closing exchange rate at the year end and whereas statement of profit and loss numbers have been translated into Indian Rupees at average exchange rate for the year.
- Names of subsidiaries which are yet to commence operations : NIL
- Names of subsidiaries which have been struck off/liquidated during the year : Shriram Blossed (Thailand) Ltd. liquidated w.e.f. 15th June 2021
*became subsidiary w.e.f. 19th October 2021

Sameer Gambhir
Company Secretary

Amit Agarwal
Chief Financial Officer

Pradeep Dinodia
Director
DIN: 00027995

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

Annexure - 2

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

- (i) (a) **The percentage increase in remuneration of each Director during the financial year 2021-22 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 :**

S. No.	Name of the Director and Designation	% increase in remuneration in the financial year 2021-22	Ratio of remuneration of each Director to the median remuneration of employees
1.	Mr. Ajay S. Shriram Chairman & Senior Managing Director & KMP	21.49%	195:1
2.	Mr. Vikram S. Shriram Vice Chairman & Managing Director	22.27%	193:1
3.	Mr. Ajit S. Shriram Joint Managing Director	21.98%	178:1
4.	Mr. K.K. Kaul Whole Time Director	26.87%	53:1
5.	Mr. K.K. Sharma Whole Time Director (EHS)	14.62%	19:1
6.	Mr. Pradeep Dinodia Non-Executive Independent Director	27.88%	18:1
7.	Mr. Vimal Bhandari Non-Executive Independent Director	31.25%	9:1
8.	Mr. Sunil Kant Munjal Non-Executive Independent Director	5.00%	9:1
9.	Ms. Ramni Nirula Non-Executive Independent Director	16.67%	9:1
10.	Mr. Pravesh Sharma Non-Executive Independent Director	21.50%	10:1
11.	Justice (Retd.) Vikramajit Sen Non-Executive Independent Director	26.43%	7:1
12.	Ms. Sarita Garg* Nominee Director(LIC)	38.33%	7:1

*Remuneration paid to LIC of India.

- (b) **The percentage increase in remuneration of Chief Financial Officer and Company Secretary during the financial year 2021-22 :**

S. No.	Name of KMP and Designation	% increase in Remuneration in the financial year 2021-22
1.	Mr. Amit Agarwal Chief Financial Officer & KMP	16.69%
2.	Mr. Sameet Gambhir Company Secretary & KMP	2.46%

- (ii) In the financial year **2021-22**, there was an increase of 14.20% in the median remuneration of employees.
- (iii) There were 5357 permanent employees on the rolls of the Company as on 31st March, 2022.
- (iv) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year was 12.52% whereas the increase in managerial remuneration for the same financial year was 22.18%.
- (v) **Affirmation :**
It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

Place : New Delhi
Date : 5.5.2022

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

Annexure - 3

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

A) Conservation of Energy

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

KOTA Complex	Details
Fertiliser Plant	<ul style="list-style-type: none"> Installation of plate type heat exchanger to cool HPC solution from 105°C to 75°C, instead of losing heat to cooling water. Recovered heat utilized to preheat HPC solution from make up pump discharge from 65°C to 95°C, resulting in net saving of 0.003 Gcal/MT Urea i.e. 114 Mtoe/annum.
Power Plants	<ul style="list-style-type: none"> Replacement of old 4K Heater with new upgraded 4K heater increasing heater outlet temperature by 15°C. Saving of 152 Kw/hr achieved resulted into energy saving of 354 Mtoe/annum. Improving 66MW boilers auto combustion control and maintaining master pressure and temperature in close band. Saving of 129 Kw/hr achieved resulted into energy saving of 301 Mtoe/annum. Replacement of two old inefficient reciprocating Instrument Air Compressors with one new efficient rotary Instrument air compressor resulting in saving of 48 Kw/hr i.e. annual saving of 105 Mtoe/annum.
Chemicals Plant	<ul style="list-style-type: none"> Replacement of cells in Electrolyzer, A, B & C to new NCZ type electrolyzers in CAG Plant with an energy saving of 1364 Kw/hr i.e. 3277 Mtoe/annum. Anode and Cathode replacement for Electrolyzer 'D' in CAG plant with an energy saving of 722 Kw/Day i.e.1735 Mtoe/annum.
Cement Plant	<ul style="list-style-type: none"> Installation of VFD in Vent Fan resulting in saving of 38 Kw/hr i.e. 87 Mtoe/annum. Replacement of Conventional light fittings with LED light fittings resulting in saving of 7 Kw/hr i.e. 15 Mtoe/annum.
SAC - BHARUCH CHEMICAL PLANT	
<ul style="list-style-type: none"> 1094 membranes were replaced (Out of 2988 membrane units installed) resulting in to conservation of 75.9 lacs kwh of energy. 	
SUGAR PLANTS - U.P.	
Ajbapur	<ul style="list-style-type: none"> Replacement of conventional starter with VFDs for three hoist motors at 3000 TCD cane unloaders. Sulphated juice single pumping instead of two stage pumping system, resulting into power saving of 125 kWh/day. Replacement of conventional crystallisers drives with planetary drives - Saving in power by 30 kWh/day. Saving in steam consumption by 0.56% by installing DC heaters. Saving in steam consumption by 0.1% by utilizing clarifier flash vapor for syrup heating.
Rupapur	<ul style="list-style-type: none"> Installation of VFDs on a Mixed Juice pump for power saving. Replacement of conventional compressor with energy efficient compressor. Replacement of conventional drive with planetary drive at 3 Nos. of crystallisers. Replacement of higher capacity (200 KW) motor with desired capacity (110 KW) at bagasse drier ID Fan. LED lightings in plant.
Hariawan	<ul style="list-style-type: none"> Changed the vapor bleeding system in process house resulting into 0.5% steam reduction. Insulation of maceration hot water tank as well as pipe line to reduce radiation loss. LED lighting in Plant and colony.
Loni	<ul style="list-style-type: none"> Replacement of conventional lights to LED lights at Process Section & Plant offices. Installation of VFDs for Air Compressor operation. Installation of VFDs in Injection Pump.

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

SAC – BHARUCH CHEMICAL PLANT	
<ul style="list-style-type: none"> Steps initiated for buying Renewable Energy (1.3 MW). The power will start receiving during FY'23. Steps initiated for setting up captive renewable energy project. 	
SFC COMPLEX – KOTA	
<ul style="list-style-type: none"> Continuous increasing the use of Biomass as alternative fuel for power plant. During FY'22 the consumption of biomass increased from 141 MT/day to 240 MT/day i.e. increase of ~ 100 TPD. 	
SUGAR PLANTS – U.P.	
Ajbapur	<ul style="list-style-type: none"> Solar Street lights in place of conventional electrical lighting.
Rupapur	<ul style="list-style-type: none"> Installation of 1010 KVA Industrial Power connection at 33 KV voltage level to avoid DG operation.

iii. The capital investment on energy conservation equipments;

Major investments on energy conservation equipment are as under:

SFC COMPLEX – KOTA		
	Investment (Rs./Crs.)	Details of Equipments
Chemicals Plant	39.09	- Replacement of cells in Electrolyzer, A, B & C
	7.96	- Anode and Cathode replacement for Electrolyzer 'D'
Power Plants	0.46	- Replacement of new 4K Heater
	0.30	- Replacement of new Instrument Air Compressor
SAC – BHARUCH CHEMICAL PLANT		
	12.00	- Replacement of 1094 membranes
SUGAR PLANTS – U.P.		
Ajbapur	0.55	- VFDs , Heavy Duty Chopper
Rupapur	0.56	- VFDs, Planetary Drives, Batch Machine AI Automation, Air Compressor, and LED Lightening
Loni	0.36	- LED Lights, Energy Management System

B) Technology Absorption
(i) The efforts made towards technology absorption;

SUGAR PLANTS – U.P.	
<ul style="list-style-type: none"> Installation of scale-ban and galvanic technology for use of treated ETP water in power plant cooling towers in place of bore well water. Saving in bore well water achieved - 300 KLD. Self learning feeding algorithm by using AI application in Batch Machines On Line Condition monitoring of critical single line equipment – 255 sensors Air Scavenging system in Batch Centrifugal machine for sugar curing at Loni Sugar Mill A-Pan automation using data analytics at Loni Sugar Unit. 	
SAC– BHARUCH CHEMICAL PLANT	
<ul style="list-style-type: none"> Contracts finalized for imported technology for Epichloro-hydrine and Hydrogen Peroxide projects under implementation. 	

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

SFC – Kota	<ul style="list-style-type: none"> Better operation control
	<ul style="list-style-type: none"> Improved process safety & efficiency
	<ul style="list-style-type: none"> Slightly mitigation for import substitution
SUGAR Plants – U.P.	<ul style="list-style-type: none"> Cost reduction by energy saving
	<ul style="list-style-type: none"> Reduction in downtime
	<ul style="list-style-type: none"> Product Improvement

(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year);
Carbide - KOTA

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

PVC - KOTA

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

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

Chemicals - KOTA

a)	Technology Imported	Bertams technology for flaker plant
b)	Year of Import	2019
c)	Whether technology has been fully absorbed	Yes
d)	If technology not fully absorbed, reason for same and future plan of action	-

a)	Technology Imported	Installation of new zero gap cells in Electrolyser # F & G
b)	Year of Import	2019
c)	Whether technology has been fully absorbed	Yes
d)	If technology not fully absorbed, reason for same & future plan of action	-

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

(iv) the expenditure incurred on Research and Development:

		Rs./Crores
Capital	-	4.11
Revenue	-	54.22

C) Foreign Exchange Earnings and Outgo

	Rs./Crores
	2021-22
- Total foreign exchange used in terms of actual outflows during the year	683.82
- Total foreign exchange earned in terms of actual inflows during the year	212.23

Place : New Delhi
Date : 5.5.2022

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

Annexure - 4

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2022

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

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

We have conducted the Secretarial Audit of the compliance of the applicable statutory provisions and adherence to the good corporate practices by **DCM SHRIRAM LIMITED** (hereinafter called the "Company") for the financial year ended March 31, 2022. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances by the Company and expressing our opinion thereon.

We report that-

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

Based on our verification of the Company's books, papers, minute books and other records maintained and the forms and returns filed by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 ("Audit Period") complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books and other records maintained, and the forms and returns filed by the Company for the financial year ended on 31st March, 2022 according to the provisions of (including any amendment thereof) :

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

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

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

- (vi) The business portfolio of the Company comprises primarily of the followings-

- **Agri-Rural Business**

Sugar, Urea & Hybrid Seeds, Farm inputs merchandising such as, Crop care and Specialty Chemicals.

- **Chlor-Vinyl Business**

Caustic Soda, Chlorine, Calcium Carbide, PVC resins, PVC Compounds, Power and Cement. It has a value-added business Fenesta Building Systems - UPVC Windows & Doors.

The Company has manufacturing facilities of Fertiliser, Chloro-Vinyl & Cement in Kota (Rajasthan) and of Chlor-Alkali in Bharuch (Gujarat). The Company operates coal-based captive power, facilities - in Kota and Bharuch (Gujarat) rated at 263 MW. The Urea plant in Kota has a Production capacity of 379,500 TPA & Chlor- Alkali capacity of 6,54,150 TPA in both Kota & Bharuch. Cement plant has a production capacity of 400000 TPA and PVC plant has capacity of 220 TPD. Further, Sugar factories are located in Ajbapur, Rupapur, Hariawan and Loni in Uttar Pradesh, with a combined crushing capacity of 38,000 TCD (tonnes crushed per day), power-generating capacity of 155 MW and Distilleries at Hariawan and Ajbapur with combined capacity of 350 KLD. The Hybrid seed operations- 'Bioseed' are based out of Hyderabad, India and in Southeast Asia. Fenesta windows extrusion unit is located at Kota and fabrication units are located in Bhiwadi, Mumbai, Hyderabad and Chennai.

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

- Food Safety and Standards Act, 2006;
- Essential Commodities Act, 1955;
- Narcotics Drugs and Psychotropic substance Act, 1985;
- Legal Metrology Act, 2009;
- The Fertilizer Control Order, 1985;
- The U.P. Sugarcane (Purchase Tax) Act, 1961;
- The Sugar (Packing & Marketing) Act, 1970.

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

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including woman director. There was no change in the composition of the Board of Directors that took place during the audit period.

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

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

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

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

Devesh Kumar Vasisht
Partner

New Delhi

CP. No. 13700, FCS No.:8488
UDIN: F008488D000271300

May 05, 2022

CORPORATE SOCIAL RESPONSIBILITY

Annual Report on CSR activities

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

Brief outline on CSR Policy of the Company

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

districts of UP, Kota district in Rajasthan and Bharuch district in Gujarat. The focus areas of the Company's CSR programs are aligned with the policy of the company.

Focus Areas:

- Preventive Healthcare & Sanitation
- Education, Vocational Skills & Livelihood
- Environment Sustainability
- Rural Development

A brief overview of the activities undertaken in FY'2021-22:

malnutrition, minimising anemia in adolescent girls and promoting immunization and institutional deliveries. The program is undertaken aligning with various Government schemes like PMMVY, JSY, RKSK and ICDS.

In FY'2021-22, Khushali Sehat program was implemented across 140



Section 135 of the Companies Act, 2013, Schedule VII and its approach is focused on long-term programs aligned with community needs and national priorities. There is also an alignment to SDGs for defining our CSR programs.

The CSR programs are implemented in the communities around the company's manufacturing locations with an Integrated Development Model. These are in the geographies of Hardoi & Lakhimpur

I. Preventive Healthcare & Sanitation – Khushali Sehat

Khushali Sehat is DCM Shriram's flagship CSR program on preventive healthcare and is aligned with SDG-3. The program works primarily towards Mother and Child health focusing on Women's Reproductive Health with an objective to reduce IMR (Infant Mortality Rate) and MMR (Mothers Mortality Rate), combating child

villages of UP and 18 villages in Kota. The program was launched in 2011 in Hariawan and Lakhimpur Kheri districts of UP and replicated & scaled in 18 villages of Kota, Rajasthan, in 2021. The Company's approach to Healthcare program is a more qualitative and holistic "wellness" centric approach which looks at ease of accessibility, affordability, and availability.

Awareness and sensitization services are provided to pregnant women & lactating mothers on maternal & child health, family planning and benefits of institutional deliveries. Also adolescent girls are sensitised on adoption of better health & hygiene practices. Further, trainings on community health

are provided to women of the villages through a cadre of Village Level Health Workers (VLWs)- Sehat Saathis. During the year, Khushali Sehat program has made a direct impact on over 16,000 households, 3500+ pregnant and lactating women and 5500+ adolescent girls.

The Company also launched a Mobile Medical unit (MMU) covering the entire Hariawan block in UP with 58 Gram Panchayats. The MMU is equipped with a Gynecologist /Nurse/Pharmacist and Equipment for Ante / Post Natal Check up and some tests which are being conducted for diagnosis of high risk pregnancies.



Through the healthcare program the Company is also striving to counter malnutrition in villages of Hardoi and Lakhimpur Kheri Districts of UP. Wholesome nutrition is an important factor in preventing maternal & infant morbidity/ mortality. The Company undertook a health screening camp to identify the undernourished population in the intervention villages in and identified 783 individuals under malnourished category. The intervention aimed at providing of POSHAN Kits on a monthly basis to them. During the year over 3600 POSHAN kits were distributed. Along

with POSHAN kits, the intervention ranged from the nutrition counseling on the adequate dietary intake, age-appropriate nutrition, complimentary feeding, and dietary diversity which are being given by the Village Level Health Workers. Besides these promotional health activities, with support of the on-ground NGO partners the Company is also able to link these beneficiaries with major nutrition supplementation programs including:

- 1) Integrated Child Development Services Scheme (ICDS)
- 2) Mid-day meal Programs (MDM)
- 3) Public Distribution System (PDS)

Sanitation – Shriram Swachhagraha

DCM Shriram's Sanitation program 'Shriram Swachhagraha' is implemented in 3 states, Gujarat, Rajasthan & Uttar Pradesh, in alignment with Govt. of India's Swachh Bharat Rural Mission and supporting Swachh Vidyalaya Yojana. The program is linked with SDG-6. The

company is running this program since 2014, started from the state of UP and scaled-up and replicated in other districts of its operations i.e. Kota and Bharuch. In 2021-22, the Company worked extensively on creating awareness among community members on ODF+ which is also a phase 2 of Swachh Bharat Mission.

- **Solid Waste Management:**
Awareness about solid waste



management and open defecation. 600+ Community meetings held covering 6000 people on personal hygiene, ODF and composting around Sugar factories. Over 30,000+ community members benefitted through Sanitation awareness activities in Kota.

- **Composting:** Sanitation is also promoted through Composting as a means in our intervention villages of UP. The objective is to ensure utilization of 100 % wet waste in composting. The community was made aware on both pit and without pit methods. 50 Bio-decomposer solutions were provided to the villages for converting garbage into bio fertilizer.



- **Shefrol Technology:** The Company also commissioned first Sewage treatment facility in Hariawan village, UP which is in a pond using Shefrol Technology in partnership with university of Pondicherry. Aquatic plants are used in the Pond for making the water in the pond fit for irrigation purpose. The facility helps in treating 100 KLD sewage water coming from 180 HH.
- **Construction of School Toilets:** 113 school toilet blocks constructed across Kota, Hardoi and Lakhimpur Kheri districts. So far 522 school toilet blocks constructed across locations.
- **Construction of Household Toilets:** 40 Household Toilets were constructed in Bharuch. So far, 428 Households toilets are constructed in Bharuch in 19 villages.

II. Education, Vocational skills, Livelihood

Education – Khushali Shiksha
DCM Shriram strives to improve



learning level of students studying in class 1 to 5. The focus of Khushali Shiksha is not just on age-and-grade-appropriate learning in curricular subjects such as language, science and mathematics; it is also on leveraging 21st century skills such as critical thinking, problem solving, collaborative learning and the use of technology to promote learning. The program is linked with SDG – 4 Quality Education.

Through this intervention the Company is engaging with students of 100 Government primary schools in Hardoi and Lakhimpur districts of UP. 70



digital Tablets are used in communities with the aim of providing access to digital technology and online content which will help provide a wider set of learning opportunities to children. In 2021-22, over 4,029 children reached through 549 volunteers. Also the concept of Mothers Groups was used to teach Grade 1-2 children with a focus on school readiness, 312 Mothers Groups were created with 1186 Mothers. Phase 2 of Learning camps were organised for Grades 3-5 in schools and 3000 children were reached across 40 units. Volunteer Led Classes were organized as Mohalla level learning camps for Grade 3-6, these camps ran up to 1.5 hours/day for 4 weeks each and 3000 children were reached through the same.

Shriram Scholarships were distributed to promote education and also to motivate/ support meritorious girls of Government ITI Kota, Women ITI Polytechnic College, Govt. Colleges, Engineering College and Kota University to pursue higher education in the desired fields/ streams in Kota and Bharuch districts. During the year 268 Scholarships were distributed across Kota and Bharuch.

Livelihood Program – Jeetega Kisaan

Agri-skilling and Livelihood program - Jeetega Kisaan is layered on our Water Conservation Program. This program strives to achieve the targets of SDG 1 – No Poverty and SGD2 – Zero Hunger. It aims to help small & marginal farmers increase their productivity and income by providing them training on better package of practices, introducing high value crops as part of their crop cycle and helping

create market linkages for their crops. To link farmers with the Government schemes, the Company partnered with Haqdarshak and worked with farmer communities helping them in getting the access to Govt. schemes i.e. DBT Schemes/ Indirect Schemes under which the benefit was unlocked. Total of 942 Jeetega Kisaan Farmers were screened for Govt. schemes and value unlocked was Rs 1.30 Cr in FY’2021-22.

In FY- 2021-22, the Company has formed a Farmer Producer Organisation (FPO) which has been registered & licensed as part of Jeetega Kisaan Program to help

farmers on both the input and output side for 18 villages of Kota. The Company Scaled-up its Jeetega Kisaan Program and started a Sustainable Paddy/Wheat Program under Jeetega Kisaan program for 2000 farmers in 46 villages of Chopan & Robersganj block of Sonbhadra District of Uttar Pradesh with IFC as our knowledge partner and ISAP as the implementation partners.

In Bharuch, the Company partnered with BAIF and launched a program on Animal Husbandry with a focus on Cattle development through Artificial Insemination in 11 villages. The



program aims to provide quality breeding and other support services at the door step of the milk producers & farmers of Jhagadia block in Bharuch District through a Cattle Development Center. BAIF Livelihoods has helped 310 farmers by providing breeding services which will have improved progenies through Artificial Insemination. Total of 78 farmers have confirmed pregnancy for the cattle post insemination in 2021-22. Also the program supports in integrated livestock development services like ensuring availability of green fodder, de-worming and vaccination of the cattle.



Vocational Skills – Khushali Rozgar Silai School: Sustainable income sources for women are created through this program in our project villages. 153 women were trained in the 'Silai School' at Loni and Ajbapur which provides vocational training to the rural women and girls in stitching and tailoring related work. Out of 153, 13 are placed and 93 are self employed. The Company is also running a program for rural artisans of Hardoi & Lakhimpur Kheri District in UP - Project Zar-Dozi.

Kaushal Vikas Kendra: in 2021-22 the Company partnered with S&S Care Academy to start mobile, Computer & Laptop repair training centre. The initiative is aligned with SGD 8 – Decent work and Economic Growth. The program aims is to contribute to the overall objective of Skill Development by providing training to the rural youth and help them generate a source of income. 100 students were trained during the fiscal and 45 students have been placed so far.



availability of sufficient water for irrigation, drinking & livestock, reducing the depletion of ground water and for raising the socio economic status of the nearby villagers. The company has rejuvenated 12 ponds in FY'2021-22 at Hardoi, Lakhimpur Kheri in UP and Bharuch Gujarat.

III. Environment Sustainability - Khushali Paryavaran

Water Conservation continues to be a focus area of Company's CSR programs under Environment Sustainability. The program is directly linked with SDG 6 – Clean Water and Sanitation. Water Conservation efforts were conceptualized to ensure

In FY'2021-22, the Company partnered with Tarun Bharat Sangh with an objective to create a holistic and community-driven integrated watershed management program. 13 rain water harvesting structures were identified in 7 villages of Ladpura



district which would create water security for approximately 5000 people. This would create an additional surface water capacity of estimated 1.8 billion (180 crore) litres every year which would be renovated for rainwater conservation and domestic purposes. So far 2 structures have been renovated as part of this program.

The Company is conscious of the need to maintain right ecological balance and has created green belts around its areas of operations. Over 50,000 saplings planted in community areas of Hardoi and Lakhimpur districts. The saplings include Shisham, Kanji, Jamun, Katahal, Amla, Chitwan, Aam, Shagaun etc.

IV. Rural Development

An integrated Rural Development Model works simultaneously on all facets impacting rural life. Interventions in livelihoods, health, education, infrastructure and WASH interlock to push people up the development curve. The Company is implementing this model with a focus to improve quality of life for the communities around areas of operations. The program is implemented in partnership with the local populace, and in collaboration with state governments, NGOs, knowledge institutions and allied partners, it is creating a blueprint for model villages.

The Company has undertaken focused infrastructure development activities in select villages of areas around its operations. These infrastructure Development activities include providing Safe drinking water facilities, upgradation of anganwadi, Schools,



Panchayat Bhawans, interior village roads etc. In 2021-22, the Company installed 1 Water ATM to provide safe drinking water to the community, constructed a bus stand and initiated the work for Community hall in Bharuch, provided solar lighting etc. The Company also undertook need assessment for its 19 focus villages in Bharuch.

COVID-19 Relief

DCM Shriram stepped up its efforts to combat the third wave of COVID-19 in its surrounding communities. The COVID-19 pandemic has been a very challenging period for Indians and the global community. During these times, CSR has attained a new level of providing effective aid to various stakeholders in the process of achieving sustainable development. The Company considers that frontline workers,

especially in the healthcare sector, have been critical for delivering healthcare facilities to the society in general.

As part of COVID-19 relief support, the Company followed a four-pronged strategy to mitigate the devastating impact of the pandemic:

1. Augmenting critical supplies to Government Hospitals – Hand Sanitizer, PPE Kit, N95 Masks etc.
2. Stepping up vaccination drives and Capacity building of rural healthcare workers.
3. Facilitating supply of critical needs such as oxygen by installing oxygen plants.
4. Focused intervention on prevention of COVID-19 infection in communities by creating awareness.



Augmenting Critical Supplies:

- Installed 6 Oxygen generation plants of 10m3/hr capacity at Bharuch and Ankleshwar, District Hospitals
- Installed two Oxygen generation plant of 10m3/hr capacity at Hardoi, District Hospital and one 20m3/hr capacity plant at CHC Rohania, Rai Bareilly
- Provided 100 Oxygen Concentrators to District Administration & Medical College, Kota
- Provided technical support towards commissioning and setting up the pipeline for the Oxygen Generation Plant at Medical College, Kota
- PPE Kits/ N95 masks/Oxygen Concentrators and other resource support to CHC/PHCs in Kota, Bharuch and Hardoi/ Lakhimpur Kheri

Capacity Building of ASHA, AWW and ANMs on COVID-19 Management

- The Company partnered with UN Women, SEEDS Impact, Population Foundation of India, Local health department in Hariawan Block and Ladpura Block to train ASHA/ ANM/ AWW with an increased focused on mobilization towards the Vaccination drive for COVID-19

- Over 350 ASHA, AWW and ANMs along with our 20 VLWs were trained on COVID Appropriate Behaviour (CAB)/ Vaccination Awareness.
- Across 4 sugar units, 60 Temperature Guns and Oximeter were donated to the ASHAs and VLWs of 44 villages for better management of COVID-19.

COVID-19 Awareness Campaigns: (All Age Group)

Mass awareness campaigns and mobilization for COVID-19 vaccinations were undertaken across locations in Hardoi and Lakhimpur Kheri districts of UP, Kota in Rajasthan and Bharuch in Gujarat. Overall intervention has impacted over 10,000 plus households. The campaign is supported through various communication channels as mentioned below:

- In the first step, VLWs/ASHA/ AWW trained on COVID vaccination/ FAQs/Myths etc
- IEC material displayed in villages and also disseminated via WhatsApp
- Sehat Saathi's (Village Level health Workers) helped the community in registrations of vaccination in partnership with local health department.

- Door-to-door visits were undertaken for mobilising people and encouraging the eligible population to undertake the COVID-19 vaccine. Sehat Saathis also helped people in registrations who were eligible for their second dose and a booster dose for senior citizens.
- An awareness vans with speakers moved around the villages promoting the messages regarding COVID-19 Vaccine and helping in busting myths around the same.
- In Kota, to promote the vaccine among 15-18 years children, COVID-19 Vaccine awareness van was flagged off in presence of Mr. Gajendra Singh, Additional Commissioner, Nagar Nigam, Kota. The van covered over 1800 households creating awareness among 15-18 years children and helped them registering themselves.
- Through our Vaccination Drive/ Vaccine Hesitancy Awareness campaign - 37,000 + people got vaccinated via camps for the 1st Dose, which is 97% of the total eligible population in our 63 intervention villages across Hardoi, Lakhimpur Kheri and Bharuch districts and over 90% for the 2nd Dose.



2. Composition of CSR committee

The CSR committee of the Board is responsible for overseeing the execution of the Company's CSR Policy. The CSR Committee comprises six Board Members including three independent directors as on March 31st 2022 as per detail below:.

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

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

3. Web links where composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

- The composition of the CSR committee is available on our website, at <https://www.dcmshriram.com/csr-committee>
- The Committee, with the approval of the Board, has adopted the CSR Policy as required under Section 135 of the Companies Act, 2013. The CSR Policy of the Company is available on our website, at <https://www.dcmshriram.com/csr-policy>
- The Board, based on the recommendation of the CSR committee, at its meeting held on May 5, 2022, has approved the annual action plan / projects for FY-2022-23, the details of which are available on our website, at <https://www.dcmshriram.com/csr-budget>

4. Details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable:

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

In line with this, in FY'2021-22, CII was appointed by DCM Shriram towards third party assessment with the following objectives:

- Understanding the impact of DCM Shriram's Sanitation initiative running by the name of Shriram Swachhagraha, across the intervention villages of Kota district in Rajasthan, Bharuch district in Gujarat and Hardoi & Lakhimpur Kheri districts in UP.
- Understanding the impact and perception of the community in relation to the interventions undertaken for the Sanitation program.
- Effectiveness of the project monitoring and evaluation along with identifying the gap areas for way forward

The assessment undertaken for Shriram Swachhagraha program was for the period of 2018-2021. The evaluation was undertaken using a mixed methodology, which involved both, qualitative and quantitative data collection. The assessment undertaken by CII collected information in the form of Household (HH) surveys, focus group discussions, village level observations, joint consultations and workshops, Key Informant Interview (KIIs).

Some of the key highlights of the assessment were:

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

- Construction of Household Toilets had a direct impact on Quality of life of the community members. A direct impact was observed on Health, Education and on access, dignity and Safety for Women in the community. 67% Women mentioned that household toilet construction has improved convenience and privacy followed by safety.
- Construction of school Toilets had a direct impact on reducing the absenteeism among students and students also mentioned that they have stopped going back to their respective homes since the time toilets have been constructed in the schools. 91% students agree that the toilets present in the school are hygienic.
- 100% students showed knowledge about proper hand wash technique and knowledge on washing hands Pre and Post eating and Pre and Post using Toilets.
- It was observed through FDGs, that the Menstruation hygiene program broke the menstruation related taboo and myths. Girls are more open to discuss issues at home. Teachers know how to help adolescent girls with MHM which has reduced absenteeism amongst girls since they no longer feel the need to go home during their menstrual cycles.

5. It was observed that, the Behaviour change activities undertaken by the Company in partnership with NGO partners have led to greater awareness among community at large and among schools. Students are acting like a change agents and peer educators as they take information home and also make their peers educated about self hygiene and its benefits.
6. Below efforts were well appreciated by majority of stakeholders:
 - Formation of Swachhata Kosh (Sanitation fund) raised by the SMC and the community
 - Swachhata Monitoring Boards set up in all the schools to help regularize the habits of cleanliness through the Child cabinets
 - Availability of Green Workers' who go regularly to maintains the toilet blocks
 - Soap banks developed by child cabinet to ensure regular hand washing habit
7. It was also highlighted that as per the objective of the program, it

has succeeded in creating awareness among the target beneficiaries. Also, good practices undertaken for making the program sustainable were highlighted i.e. formation of Child Cabinets, SMC and Teachers training on regular intervals.

5. **Details of the amount available for set-off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any:** Nil
6. **Average net profit of the Company as per Sec 135(5):** Rs 996.44 crore
7. **a. Two percent of average net profit of the Company as per Section 135(5):** Rs. 19.94 crore
b. Surplus arising out of the CSR projects or programs or activities of the previous financial years: Nil
c. Amount required to be set-off for the financial year, if any: Nil
d. Total CSR obligation for the financial year (7a+7b-7c): Rs. 19.94 crore

8. a. CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer
Rs. 17.43 Crore	Rs. 2.51 Crores	25/4/2022	NA	NA	NA

b. Details of CSR amount spent against ongoing projects for the financial year:

Annual Report on Corporate Social Responsibility (CSR) activities for the financial year 2021-22

1	2	3	4	5	6	7	8	9	10	11
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project - State and district where programs were undertaken	Project duration (In Years)	Amount Allocated for the project (in Lacs.)	Amount Spent in the current Financial Year (in Lacs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Lacs.)	Mode of Implementation Direct (Yes/No)	Amount spent: Direct or through Implementing Agency*
1	Sanitation-Shriram Swachhagrah program for schools & community. Building of Toilet blocks in Govt. schools and Individual Household Toilet Blocks	Clause (i) Promoting health care including Preventive healthcare and Sanitation	Yes	Distts. Lakhimpur Kheri & Hardoi, Uttar Pradesh; Kota, Rajasthan; Bharuch, Gujarat	3 Years	551.00	518.50	32.50	Yes	1. DCM Shriram Foundation 2. FINISH Society
	Sub Total (1)					551.00	518.50	32.50		1. CSR 0000 4632 2. CSR 0000 1053

1	2	3	4	5	6	7	8	9	10	11
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project - State and district where programs were undertaken	Project duration (In Years)	Amount Allocated for the project (in Lacs.)	Amount Spent in the current Financial Year (in Lacs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Lacs.)	Mode of Implementation Direct (Yes/No)	Amount spent: Direct or through Implementing Agency*
2	Education - Khushali Shiksha Program for improving Leaving level of students in Govt. schools. Shriram Scholarships for the students of ITIs.	Clause (ii) Promoting education, livelihood	Yes	Distts. Lakhimpur Kheri & Hardoi, Uttar Pradesh; Kota, Rajasthan; Bharuch, Gujarat	2 Years	257.00	142.00	115.0	No	1. Ind-Agv Commerce Limited 1. NA
Sub Total (2)						257.00	142.00	115.0		
3	Khushali Paryavaran - Undertaking Water conservation through construction of tanks, check dam, dugwells, etc. Plantation and Maintenance of trees.	Clause (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare	Yes	Distts. Lakhimpur Kheri & Hardoi, Uttar Pradesh; Kota, Rajasthan; Bharuch, Gujarat	3 Years	184.00	80.00	104.0	No	1. Tarun Bharat Sangh 1. CSR 0000 0505
Sub Total (2)						184.00	80.00	104.0		
Grand Total						992.00	740.50	251.5		

(1) These are 'ongoing projects' as defined in the CSR Amendment Rules The years mentioned include the financial year in which the project was commenced.

(2) The Company has partnered with eminent NGOs / FINISH Society, SRCC and Tarun Bharat Sangh.

(3) The programs are running in a continuous mode with year-on-year goals and budgets which are accounted and audited.

c. Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5	6	7	8
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project - State and district where programs were undertaken	Amount Spent for the Project (budget) (Rs. lacs)	Mode of implementation Direct (Yes/No)	Amount spent: Direct or through Implementing Agency*
1	Mother and Child health focusing on Women's Reproductive Health with an objective to reduce IMR (Infant Mortality Rate) and MMR (Mothers Mortality Rate). Preventive Eye care program, Training on MHM and Family Planning	Clause (i) Promoting health care including Preventive healthcare and Sanitation	Yes	Distts. Lakhimpur Kheri & Hardoi, Uttar Pradesh; Kota, Rajasthan; Bharuch, Gujarat	628.00	No	1. MAMTA - HIMC 2. Gram Swaraj Mission Ashram 3. Vinobha Sewa Ashram 4. Akshaya Patra Foundation
	Sanitation - Shriram Swachhagrah program for schools & community. Building of Toilet blocks in Govt. schools and Individual Household Toilet Blocks		Yes	Distts. Lakhimpur Kheri & Hardoi, Uttar Pradesh; Kota, Rajasthan; Bharuch, Gujarat		1. DCM Shriram Foundation 2. FINISH Society	
Sub Total (1)					628.00		
2	Education - Khushali Shiksha Program for improving Leaving level of students in Govt. schools. Shriram Scholarships for the students of ITIs. Vocational Skills: Khushali Rozgar program for the upliftment of rural youth and women. Running 2 Silai schools and 2 Digital Learning centers. Livelihood - Jeetega Kissan program for Agri-skilling of farmers and Animal Husbandry program for Farmers	Clause (ii) Promoting education, livelihood (iii) Empowering Women	Yes	Distts. Lakhimpur Kheri & Hardoi, Uttar Pradesh; Kota, Rajasthan; Bharuch, Gujarat	203.50	No	1. Pratham Education Foundation 2. ISAP 3. DCM Shriram Foundation 4. Haqdarshak 5. Sewa Rural 6. BAIF 7. S&S Care Foundation
Sub Total (2)					203.50		

1	2	3	4	5	6	7	8	
S. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project - State and district where programs were undertaken	Amount Spent for the Project (budget) (Rs. lacs)	Mode of implementation Direct (Yes/No)	Amount spent: Direct or through Implementing Agency*	
3	Khushali Paryavaran - Undertaking Water conservation through construction of tanks, check dam, dugwells, etc. Plantation and Maintenance of trees.	Clause (iv) ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare	Yes	Distts. Lakhimpur Kheri & Hardoi, Uttar Pradesh; Kota, Rajasthan; Bharuch, Gujarat	202.00	No	1. Tarun Bharat Sangh	1. CSR00 000505
	Yes		Distts. Lakhimpur Kheri & Hardoi, Uttar Pradesh; Kota, Rajasthan; Bharuch, Gujarat	Yes		Direct	NA	
Sub Total (3)					202.00			
4	Construction / repair of village roads, school buildings, tube wells, RO Plants etc. Disaster relief, Integrated Village Development	Clause (i) Eradicating hunger, poverty and malnutrition, drinking water; (x) rural development projects	Yes	Distts. Lakhimpur Kheri & Hardoi, Uttar Pradesh; Kota, Rajasthan; Bharuch, Gujarat	260.00	Yes	Direct	NA
Sub Total (4)					260.00			
5	COVID-19 Relief Support	Clause (xii) disaster management, including relief, rehabilitation and reconstruction activities	Yes	Distts. Lakhimpur Kheri & Hardoi, Uttar Pradesh; Kota, Rajasthan; Bharuch, Gujarat	350.00	NA	Direct	NA
Sub Total (5)					350.00			
6	Admin expenses & capacity building of staff				99.00			
Sub Total (6)					99.00			
Grand Total					1742.50			

(1) Details of the implementing agencies -CSR programs are implemented through own foundation- DCM Shriram Foundation and other implementing agencies which were identified and selected through a comprehensive due diligence process.

(2) The Company has partnered with eminent NGOs / BAIF, MAMTA - HIMC, FINISH Society, ISAP, Gram Swaraj Mission, Vinobha Sewa Ashram, Akshaya Patra Foundation, Pratham Education Foundation, etc.

- d) **Amount spent in administrative overheads:** Rs. 99 Lacs
- e) **Amount spent on impact assessment, if applicable:** Rs. 5.5 Lacs
- f) **Total amount spent for the financial year (8b+8c+8d+8e):** Rs. 17.42 Crore
- g) **Details of excess amount for set-off are as follows:**

Sl. No.	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 19.93 Crore
(ii)	Total amount spent for the Financial Year	Rs. 17.42 Crore
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) **Details of unspent CSR amount for the preceding three financial years:** Rs. 2.51 Crore.

- (b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** Not applicable, as 'ongoing projects' were designed and implemented during FY'2021-22.

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year:** No capital asset was created / acquired during FY'2021-22 through CSR spend of the Company.

11. **Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135(5):**

The Company undertook few new projects in areas which were relevant for stakeholders which are covered under ongoing project category. The budget carried forward for ongoing projects are transferred to unspent CSR account as per section 135(6).

12. **Details of implementing agencies:**

As part of Company's CSR policy, we believe in partnering with Government agencies, development organisations, corporates,

civil societies & community-based organisations to implement durable and meaningful initiatives.

CSR programs are implemented through Company's wholly owned subsidiary Section 8 Company namely DCM Shriram Foundation and other implementing agencies which were identified and selected through a comprehensive due diligence process. The Company has partnered with eminent NGOs / Trusts such as MAMTA – HIMC, BAIF, FINISH Society, ISAP, Gram Swaraj Mission, Vinobha Sewa Ashram, Akshaya Patra Foundation, Pratham Education Foundation, etc.

13. CFO Certificate

In terms of Rule 4(5) of The Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended, I, Amit Agarwal, Chief Financial Officer of DCM Shriram Ltd. (the "Company"), hereby certify that the funds so disbursed for CSR activities during the Financial Year 2021-22 have been utilized for the purpose and in the manner as approved by the Board of Directors.

For DCM Shriram Ltd.

(Amit Agarwal)

Chief Financial Officer

14. Responsibility Statement of the CSR Committee:

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

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

Mr. Vikram S. Shriram
Vice Chairman and Managing Director
Member CSR Committee

SOCIAL IMPACT OF CSR ACTIVITIES 2021-22

SHRIRAM SWACHHAGRAH AWARENESS RELATED ACTIVITIES



20,000 + households sensitized via Sanitation awareness related activities in Kota, Hardoi and Lakhimpur kheri

SCHOLARSHIPS



Merit based scholarships provided to 184 students in Kota

JEETEGA KISAAN



942 Jeetega Kissan Farmers screened for Linkage with Govt. schemes and value unlocked was Rs. 1.3 Crore

JEETEGA KISSAN



4000 Farmers benefiting through Jeetega Kissan program across Kota and Sonbhadra

KHUSHALI SEHAT



1,00,000 plus community members were reached in via general health camps/Door-to-door interactions and eye camps across Kota, Bharuch, Hardoi and Lakhimpur Kheri

KHUSHALI SHIKSHA



In 62 villages, 500 + village volunteers reached out and facilitated remote learning for 2400 + primary school students in UP

MENSTRUATION HYGIENE MANAGEMENT PROGRAM



13,500 plus women 12,000 adolescent girls impacted through our Preventive Healthcare program across Hardoi, Lakhimpur Kheri and Kota

WATER CONSERVATION



14 Water Structures Rejuvenated across Hardoi, Lakhimpur Kheri and Kota

KAUSHAL VIKAS KENDRA



300 plus rural youth trained through Kaushal Vikas Kendra and Silai School and 58 rural youth employed, 93 are self employed

TREE PLANTATION



50,000 Tree Sapling Planted in UP

Corporate Governance Report 2021-22

(A) Company's Philosophy

The Company's philosophy on Corporate Governance is focused upon a rich legacy of fair, ethical and transparent policies and Governance practices. The Company is conscious of its responsibility as a good corporate citizen and is committed to high standard of Corporate Governance practices. This is reflected in the good composition, well balanced/diversified and independent structure of the Company's eminent and well represented Board of Directors. The Company is in full compliance with the requirements of Corporate Governance under the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 [SEBI Listing Regulations, 2015].

(B) Board of Directors

As at 31.03.2022, there were twelve (12) Directors comprising five (5) Executive Directors including an Executive Chairman, six (6) Non-Executive Independent Directors and one (1) Nominee Director.

During the year, six (6) Board Meetings were held on 04.05.2021, 20.07.2021, 13.09.2021, 19.10.2021, 08.11.2021 & 18.01.2022.

A separate meeting of Independent Directors was held during the year.

The composition of Board of Directors, their attendance at Board Meetings during the year 2021-22 and at the last Annual General Meeting duly held on 20.07.2021 along with details of other Directorship and Committee Membership/Chairmanship as at 31.03.2022 are as follows:

Name of Director	Category of Directorship	No. of Board meetings attended	Attended last AGM	No. of other Directorship#	Name of the listed Companies (holding position of Director and category of Directorship)	No. of other Committee Membership# #	
						Member (including Chairmanship)	Chairman/ Chairperson
Mr. Ajay S. Shriram (Chairman & Senior Managing Director)	Promoter & ED	6*	YES	9	--	--	--
Mr. Vikram S. Shriram (Vice Chairman & Managing Director)	Promoter & ED	6*	YES	9	--	--	--
Mr. Ajit S. Shriram (Joint Managing Director)	Promoter & ED	6*	YES	9	--	--	--
Mr. K.K. Kaul (Whole Time Director)	ED	6*	YES	2	--	--	--
Mr. K.K. Sharma (Whole Time Director-EHS)	ED	6*	YES	1	--	--	--
Mr. Pradeep Dinodia	NE-I-D	6*	YES	3	1. Shriram Pistons and Rings Ltd. Chairman & NE-I-D 2. Hero MotoCorp Ltd. - NED	6	3
Mr. Vimal Bhandari	NE-I-D	6*	YES	6	1. JK Tyre & Industries Ltd. - NE-I-D 2. Bharat Forge Ltd. - NE-I-D 3. Kalpataru Power Transmission Ltd. - NE-I-D 4. RBL Bank Ltd. - NE-D	5	1
Mr. Sunil Kant Munjal	NE-I-D	4*	YES	3	Escorts Ltd. -NE-I-D	1	--
Ms. Ramni Nirula	NE-I-D	6*	YES	5	1. PI Industries Ltd. - NE-I-D 2. HEG Ltd. - NE-I-D 3. Usha Martin Ltd. - NE-I-D 4. Kirloskar Brothers Ltd. - NE-I-D	2	--
Justice (Retd.) Vikramajit Sen	NE-I-D	5*	YES	1	BSE Ltd. - NE-I-D	--	--
Mr. Pravesh Sharma	NE-I-D	6*	YES	--	--	--	--
Ms. Sarita Garg (LIC Nominee)	Nominee Director	6*	YES	--	--	--	--

* Meetings attended through VC.

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

Includes only Audit Committee and Stakeholders Relationship Committee.

ED	-	Executive Director
NE- I-D	-	Non-Executive Independent Director
NED	-	Non-Executive Director

The ratio between Executive and Non-Executive Directors (including Nominee Director) is 5 :7.

Relationship amongst Directors

Mr. Ajay S. Shriram, Mr. Vikram S. Shriram and Mr. Ajit S. Shriram, being brothers, are related to each other. Apart from the above none of the Directors are related to each other.

Number of Shares held directly by Non-Executive Independent Directors as on 31st March, 2022

Name of Directors	No. of Shares held	% age of Share holding
Mr. Pradeep Dinodia	29,270	0.02
Mr. Vimal Bhandari	2,000	0.00
Mr. Sunil Kant Munjal	228,000	0.15

None of the other Non Executive Directors holding office as on 31st March, 2022 hold any shares in the Company. There are no Convertible Instruments issued by the Company.

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

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

Chart of skills/expertise/competence identified by the Board of Directors in context of the Company's business(es) and sector(s) for it to function effectively and actually available with the Board:

Name of Director	List of Core Skills/Expertise/Competencies
Mr. Ajay S. Shriram	General Management, Strategy, HR, Sugar, Fertilizer & Agri Businesses, and Chloro Vinyl Business
Mr. Vikram S. Shriram	General Management, Strategy, Finance, Agri Businesses, Sugar, Retail and Chloro Vinyl Business
Mr. Ajit S. Shriram	General Management, Strategy, Finance, Agri Businesses, Sugar, and Chloro Vinyl Business.
Mr. K.K. Kaul	General Management, Project Management, Procurement and Supply Chain management, Setting up/Operation of Fertilizer, Chemicals, Petrochemicals, Cement, process plants and Human Resource Management.
Mr. K.K. Sharma	Environment Health and Safety, Sustainability reporting, Agrochemicals and Pharmaceutical Manufacturing
Mr. Pradeep Dinodia	Corporate affairs, Law Accounting and Direct Taxes
Mr. Vimal Bhandari	Finance, Human Resources and General Management

Name of Director	List of Core Skills/Expertise/Competencies
Mr. Sunil Kant Munjal	Mergers & Acquisitions, Impact Investing, Finance & Banking, Macro-economy, Corporate Strategy, Succession Planning, Business process and improvements, Restructuring etc.
Ms. Ramni Nirula	Project Financing, Strategy, Planning & Resources and Corporate Banking
Justice (Retd.) Vikramajit Sen	Civil & Commercial Legal Matters and Arbitration
Mr. Pravesh Sharma	Food Security, Agriculture, Rural finance, Rural development and Natural Resources Management.
Ms. Sarita Garg	Administration, Governance,, Group Insurance and information Technology

Confirmation

On the basis of declaration received from the Independent Directors, the Board confirms that in their opinion the Independent Directors of the Company fulfill the conditions specified in the SEBI Listing Regulations, 2015 and are independent of the management.

(C) Audit Committee

(i) Terms of reference

The role and terms of reference of Audit Committee shall cover areas mentioned under SEBI Listing Regulations/and Section 177 of the Companies Act, 2013 and rules related thereto/other SEBI Laws/Regulations, as applicable from time to time besides other matters as may be delegated by the Board of Directors from time to time.

(ii) Composition

The Audit Committee was constituted in the year 1990. As at 31.03.2022, the Committee comprises of four (4) Non-Executive Independent Directors. The Committee met four (4) times during the year on 03.05.2021, 19.07.2021, 18.10.2021 & 18.01.2022 and attendance of the Members at the meetings was as follows:

Name of Member	Status	No. of meetings attended
Mr. Pradeep Dinodia	Chairman	4
Mr. Sunil Kant Munjal	Member	3
Ms. Ramni Nirula	Member	4
Mr. Pravesh Sharma	Member	4

Mr. Sameet Gambhir, Company Secretary, is a Secretary to the Committee.

(D) Nomination, Remuneration and Compensation Committee

(i) Terms of reference

The role and terms of reference of Nomination, Remuneration and Compensation Committee shall cover areas mentioned under SEBI Listing Regulations/and Section 178 of the Companies Act, 2013 and rules related thereto/other SEBI Laws/Regulations, as applicable from time to time and other matters as may be delegated by the Board of Directors from time to time.

(ii) Composition

As at 31.03.2022, the Committee comprises of three (3) Non-Executive Independent Directors and the Chairman of the Company who is an Executive Director. The Committee met two (2) times during the year on 04.05.2021 & 13.09.2021 and the attendance of the Members at the meetings was as follows:

Name of Member	Status	No. of meetings attended
Mr. Pradeep Dinodia	Chairman	2
Mr. Ajay S. Shriram	Member	2
Mr. Vimal Bhandari	Member	2
Mr. Sunil Kant Munjal	Member	1

Mr. Sameet Gambhir, Company Secretary, is a Secretary to the Committee.

(iii) Performance Evaluation criteria

The Nomination, Remuneration and Compensation Committee (NRCC) has approved the following criteria for evaluation of performance of Directors (including Independent Directors).

<ul style="list-style-type: none"> Fulfillment of responsibilities as a director as per the Act, the Listing Regulations and applicable Company policies and practices;
<ul style="list-style-type: none"> In case of the concerned director being Independent Director, Executive Director, Chairperson of the Board or Chairperson or member of the Committees, with reference to such status and role;
<ul style="list-style-type: none"> In case of Independent Directors fulfillment of the independence criteria as specified under applicable Regulations and their independence from the management;
<ul style="list-style-type: none"> Board and/or Committee meetings attended; and
<ul style="list-style-type: none"> General meetings attended.

(ii) Executive Directors

(Amount/Rs. Lakhs)

Executive Directors	Salary	PF/Superannuation /NPS contribution	Allowances/ Perquisites/ Others	Commission	Stock Options	Total
Mr. Ajay S. Shriram	291.60	85.66	144.24	650.00	0	1171.50
Mr. Vikram S. Shriram	288.00	84.58	140.78	645.00	0	1158.36
Mr. Ajit S. Shriram	240.00	70.28	131.76	630.00	0	1072.04
Mr. K.K. Kaul	115.32	14.54	105.56	85.00	0	320.42
Mr. K.K. Sharma	41.10	4.94	59.60	9.00	0	114.64

No Sitting fee has been paid to the Executive Directors.

- Provision for incremental gratuity and earned leave for the current year has not been considered, since the provision is based on actuarial basis for the Company as a whole.
- Notice period for termination of appointment of Managing/Whole Time Directors is six/three calendar months respectively, on either side.
- In the event of termination of appointment of Managing Director, compensation will be in accordance with the provisions of the Companies Act, 2013 and rules made thereunder or any statutory amendment or re-enactment thereof.

(iv) Remuneration of Directors

- During the current financial year, there was no material pecuniary relationship or transaction between the Company and any of its Non-Executive Directors which is required to be disclosed.
- Criteria of making payments to Non-Executive Directors is as per Remuneration Policy of the Company which is available on the Company's website at the following web link : https://www.dcmshriram.com/sites/default/files/Remuneration%20Policy_0.pdf

(v) Details of remuneration of Directors for the year 2021-22

- Non Executive Directors :-** The details of remuneration paid/payable during the year by way of Commission, and sitting fee for attending meetings of Board/Committees to Non-Executive Directors are as under:

Name of the Director	Amount/Rs. Lakhs		
	Sitting Fee	Commission	Total
Mr. Pradeep Dinodia	22.00	83.50	105.50
Mr. Vimal Bhandari	10.00	42.50	52.50
Mr. Sunil Kant Munjal	10.00	42.50	52.50
Ms. Ramni Nirula	10.00	42.50	52.50
Justice (Retd.) Vikramajit Sen	7.00	37.25	44.25
Mr. Pravesh Sharma	13.00	47.75	60.75
Ms. Sarita Garg (LIC Nominee)*	6.00	35.50	41.50

* Paid to LIC of India

- The Commission is paid to Executive Directors as approved by the board of Directors within the prescribed limit.

(E) Stakeholders' Relationship Committee

(i) Terms of reference

The role and terms of reference of Stakeholders Relationship Committee shall cover areas mentioned under SEBI Listing Regulations/and Companies Act, 2013 and rules related thereto/other SEBI Laws/Regulations, as applicable from time to time, inter-alia, including the following:

1. To consider and resolve the grievances of security holders of the Company including Shareholders, debenture holders and any other security holders.
2. **Others**
 - a. to scrutinize and approve registration of transfer and transmission of shares/debentures/warrants issued/to be issued by the Company,
 - b. to exercise all powers conferred on the Board of Directors under Article 43 of the Articles of Association,
 - c. to decide all questions and matters that may arise in regard to transmission of shares/debentures/warrants issued/to be issued by the Company,
 - d. to approve and issue duplicate shares/debentures/warrant certificates in lieu of those reported lost, and arrange for printing of blank share certificates, as per requirement,
 - e. to refer to the Board any proposal of refusal of registration of transfer of shares/debentures/warrants for their consideration,
 - f. to look into shareholders and investors complaints like transfer of shares, non-receipt of annual reports, non-receipt of declared dividend warrants, etc.,
 - g. printing of Share Certificates,
 - h. to delegate all or any of its powers to Officers/Authorised Signatories of the Company, and
 - i. to formulate the necessary process and procedures to ensure the compliance of the IEPF Rules, 2016 and other applicable provisions, if any, as amended from time to time for the transfer of shares to IEPF.

(ii) Composition

As at 31.03.2022 the Committee comprises of one (1) Non-Executive Independent Director and three (3) Executive Directors. The Committee met Ten (10) times during the year on 02.04.2021, 09.07.2021, 17.08.2021, 30.09.2021, 12.10.2021, 25.10.2021, 06.12.2021, 03.01.2022, 19.01.2022 & 24.02.2022 and the attendance of the Members at the meetings was as follows:

Name of Member	Status	No. of meetings attended
Mr. Pradeep Dinodia	Chairman	10
Mr. Ajay S. Shriram	Member	3
Mr. Vikram S. Shriram	Member	7
Mr. Ajit S. Shriram	Member	3

Mr. Sameet Gambhir, Company Secretary, is a Secretary to the Committee.

During the year, 5 Complaints were received from the shareholders and all of them were resolved to the full satisfaction of the shareholders.

(F) Other Committees

(i) Finance Committee

Composition

The Committee comprises of four (4) Executive Directors. The Committee met Twelve (12) times during the year on 19.04.2021, 24.05.2021, 07.07.2021, 03.08.2021, 19.10.2021, 10.11.2021, 17.12.2021, 28.12.2021, 15.01.2022, 18.01.2022, 02.03.2022 & 14.03.2022 and the attendance of the Members at the meetings was as follows:

Name of Member	Status	No. of meetings attended
Mr. Ajay S. Shriram	Chairman	12
Mr. Vikram S. Shriram	Member	7
Mr. Ajit S. Shriram	Member	6
Mr. K.K. Kaul	Member	5

Mr. Sameet Gambhir, Company Secretary, is a Secretary to the Committee.

(ii) Corporate Social Responsibility Committee

Composition

The Committee comprises of three (3) Executive Directors and three (3) Non-Executive Independent Directors. The Committee met two (2) times during the year on 03.05.2021 & 17.01.2022 and the attendance of the Members at the meeting was as follows:

Name of Member	Status	No. of meeting attended
Mr. Ajay S. Shriram	Chairman	2
Mr. Vikram S. Shriram	Member	2
Mr. Ajit S. Shriram	Member	1
Mr. Sunil Kant Munjal	Member	2
Justice (Retd.) Vikramajit Sen	Member	1
Mr. Pravesh Sharma	Member	2

Mr. Sameet Gambhir, Company Secretary, is a Secretary to the Committee.

(iii) Risk Management Committee

Terms of Reference

The role and terms of reference of Risk Management Committee shall cover areas mentioned under SEBI Listing Regulations/and Section 178 of the Companies Act, 2013 as amended from time to time and rules related thereto/other SEBI Laws/Regulations, as applicable from time to time, or as may be delegated by Board of Directors from time to time.

Composition

The Committee comprises of two (2) Whole Time Directors, One (1) Independent Director and 2 employees at senior level as member of the Committee. The Committee met Two (2) times during the year on 05.10.2021 & 30.03.2022 and the attendance of the Members at the meeting was as follows:

Name of Member	Status	No. of meeting attended
Mr. K.K. Kaul	Chairman	2
Mr. Vimal Bhandari	Member	2
Mr. K.K. Sharma	Member	2
Mr. Shekhar Khanolkar	Member	1
Mr. Roshan Lal Tamak	Member	1

Mr. Sameet Gambhir, Company Secretary, is a Secretary to the Committee.

(G) General Body Meetings

The last three Annual General Meetings were held as under:

Date of AGM	Time	Location
20.07.2021	10.30 A.M.	Not Applicable as the meeting was conducted through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")
21.07.2020	10.30 A.M.	Not Applicable as the meeting was conducted through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM")
23.07.2019	11.30 A.M.	Kamani Auditorium, 1, Copernicus Marg (Near Mandi House), New Delhi – 110001

The details of Special Resolutions passed in previous three (3) Annual General Meetings are as under:

AGM 2021

- Approval for re-appointment of Mr. K.K. Kaul, (DIN : 00980318) as Whole Time Director under Section 196, 197 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V for a period of two years effective from 02.07.2021.
- Approval for re-appointment of Justice (Retd.) Vikramajit Sen (DIN:00866743), as a Non Executive Independent Director under Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 for second term of 5 consecutive years effective from 09.08.2021.
- Approval for re-appointment of Mr. Pravesh Sharma (DIN:02252345), as a Non Executive Independent Director under Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 for second term of 5 consecutive years effective from 09.08.2021.

AGM 2020

- Approval for re-appointment of Mr. Ajit S. Shriram, (DIN: 00027918), as a Joint Managing Director under Sections 196, 197, and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V thereof for a period of five years effective from 02.05.2021.
- Approval for re-appointment of Ms. Ramni Nirula (DIN: 00015330), as a Non Executive Independent Director under Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 for second term of 5 consecutive years effective from 03.02.2020.

AGM 2019

- Approval for re-appointment of Mr. K.K. Kaul, (DIN: 00980318), as a Whole Time Director under Sections 196, 197, and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-

enactment thereof) read with Schedule V thereof for a period of two years w.e.f. 02.07.2019.

- Approval for re-appointment of Mr. Pradeep Dinodia (DIN: 00027995), as a Non Executive Independent Director under Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 for second term of 5 consecutive years from the conclusion of the ensuing AGM till the conclusion of 35th AGM.
- Approval for re-appointment of Mr. Vimal Bhandari (DIN: 00001318), as a Non Executive Independent Director under Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 for second term of 5 consecutive years from the conclusion of the ensuing AGM till the conclusion of 35th AGM.
- Approval for re-appointment of Mr. Sunil K. Munjal (DIN: 00003902), as a Non Executive Independent Director under Section 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 for second term of 5 consecutive years from the conclusion of the ensuing AGM till the conclusion of 35th AGM.
- Approval to increase in the borrowings limit to the extent of Rs. 5000 Crores (Rupees Five Thousand Crores Only) under Section 180(1)(c) of the Companies Act, 2013.
- Approval to create security on the assets of the Company to the extent of Rs. 5000 Crores (Rupees Five Thousand Crores Only) under Section 180(1)(a) of the Companies Act, 2013.

SPECIAL RESOLUTION PASSED THROUGH POSTAL BALLOT

- During the financial year 2021-22, no Special Resolution was passed through Postal Ballot.
- As on date, no Special Resolution is proposed to be conducted through Postal Ballot.

(H) Means of Communication

The Company interacts with its Investors through multiple forms of corporate and financial communications such as annual reports, result announcements and media releases. Quarterly results are usually published in English and Hindi daily newspapers, viz., Business Standard/Financial Express/Jansatta. These results are also made available on the website of the Company www.dcmshriram.com and also posted at the online portal of NSE and BSE. The Company's website also displays official news releases and presentations made to the Institutional Investors or to the Analysts. The Company has interacted with analysts and investors during the year under review through VC and conference calls.

(I) General Shareholders Information

- (i) Next Annual General Meeting is proposed to be held on July 19, 2022 through video conferencing.
- (ii) **Financial Year:** 1st April to 31st March.
- (iii) **Dividend:** Dividend, if declared in the ensuing Annual General Meeting, will be paid within 30 days of the date of declaration to those Members whose names appear in the Register of Members on the date of book closure.
- (iv) **Listing of Equity Shares and Stock Codes**

The names of Stock Exchanges at which Company's Shares are listed, Symbol/Scrip Code and status of payment of listing fees are as under:

Name and Address of the Stock Exchange	Scrip Symbol/ Code	Status of fee paid
National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400051	DCMSHRIRAM	Paid
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001	523367	Paid

Under the depository system, the ISIN allotted to the Company's Equity Shares of face value of Rs. 2/- each is INE499A01024.

(v) Listing of Commercial Papers

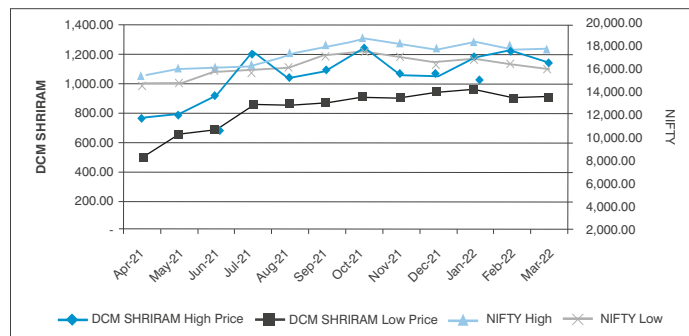
During the year ended 31st March, 2022, the Company listed the following Commercial papers issued by it, in accordance with the SEBI Circular No. SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated 22nd October, 2019.

Ref. No:	Date of Issue	Amount	ISIN	Maturity Date
1	22-Apr-21	500,000,000	INE499A14CN8	29-Jun-21
2	02-Jun-21	500,000,000	INE499A14CO6	01-Sep-21
3	16-Jul-21	500,000,000	INE499A14CP3	29-Sep-21
4	22-Sep-21	500,000,000	INE499A14CQ1	21-Dec-21
5	29-Sep-21	500,000,000	INE499A14CR9	28-Dec-21
6	23-Nov-21	500,000,000	INE499A14CS7	22-Feb-22
7	21-Dec-21	500,000,000	INE499A14CT5	21-Mar-22

(vi) Equity Share Price data for the year 2021-22

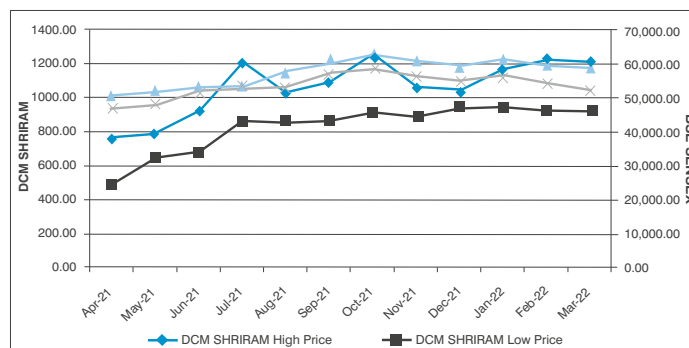
Equity Share Price on NSE and NIFTY Index

Month	DCM Shriram		NIFTY	
	High	Low	High	Low
Apr-21	760.00	490.50	15044.35	14151.40
May-21	777.00	643.65	15606.35	14416.25
Jun-21	918.00	685.05	15915.65	15450.90
Jul-21	1200.00	865.15	15962.25	15513.45
Aug-21	1033.30	855.00	17153.50	15834.65
Sep-21	1088.00	868.10	17947.65	17055.05
Oct-21	1250.00	911.50	18604.45	17452.90
Nov-21	1059.70	895.00	18210.15	16782.40
Dec-21	1045.05	948.05	17639.50	16410.20
Jan-22	1174.00	955.00	18350.95	16836.80
Feb-22	1224.10	922.70	17794.60	16203.25
Mar-22	1154.65	916.00	17559.80	15671.45



Equity Share Price on BSE and BSE SENSEX

Month	DCM Shriram		BSE SENSEX	
	High	Low	High	Low
Apr-21	759.30	493.65	50375.77	47204.50
May-21	776.25	644.00	52013.22	48028.07
Jun-21	925.00	685.30	53126.73	51450.58
Jul-21	1199.00	865.00	53290.81	51802.73
Aug-21	1031.15	855.50	57625.26	52804.08
Sep-21	1089.65	868.50	60412.32	57263.90
Oct-21	1249.95	913.15	62245.43	58551.14
Nov-21	1060.00	896.50	61036.56	56382.93
Dec-21	1045.00	941.00	59203.37	55132.68
Jan-22	1170.00	951.00	61475.15	56409.63
Feb-22	1224.00	921.85	59618.51	54383.2
Mar-22	1215.00	917.15	58890.92	52260.82



(vii) **Registrar and Share Transfer Agent:** M/s. MCS Share Transfer Agent Limited is the Registrar and Share Transfer Agent for shares of the Company - both in physical and electronic mode.

(viii) **Share Transfer System:** The Company's shares are traded in the Stock Exchanges compulsorily in DEMAT mode.

(ix) Distribution of Shareholding as on 31.03.2022

No. of Shares		Shares		Shareholders	
From	To	Number	% to total no. of Shares	Number	% to total no. of Shareholders
1	500	4221730	2.71	59747	93.18
501	1000	1618645	1.04	2197	3.42
1001	2000	1523872	0.98	1046	1.63
2001	3000	956082	0.61	383	.60
3001	4000	632772	0.40	181	.28
4001	5000	530138	0.34	115	.18
5001	10000	1375214	0.88	191	.30
10001	50000	3975699	2.55	194	.30
50001	100000	1868364	1.20	25	.04
100001 and Above		139239780	89.29	43	.07
Total		155942296	100	64122	100

(x) Dematerialisation of Equity Shares and liquidity

As on 31.03.2022, 98.72% of the total eligible Equity Shares were in dematerialized form and the balance 1.28% shares in physical form.

The Company has not issued any GDRs/ADRs/warrants or any convertible instruments, which are pending for conversion.

(xi) Commodity price risk or foreign exchange risk and hedging activities

The Company's operations are mainly in India and therefore rupee denominated, except the foreign currency denominated loans (Long Term and Short Term), Imports of some raw materials, stores & spares and capital goods and export of finished goods. These liabilities and assets are mostly fully hedged against foreign currencies.

(xii) Covid-19

The Impact of Covid-19 pandemic continued to be in force in the Country during current year also. The details of impact on operations of the Company and steps taken by the Company to mitigate the impact of Covid-19 are described in the Management Discussion and Analysis Report which forms part of this Annual Report and is provided in a separate section.

(xiii) Plant Locations

The Company's plants are located at Ajbapur, Rupapur, Hariawan, Loni (U.P.), Bharuch (Gujarat), Kota, Bhiwadi (Rajasthan), Hyderabad (Telangana) and Chennai (Tamil Nadu).

(xiv) Address for Correspondence

The Company's Registered Office is situated at 2nd Floor, (West Wing) Worldmark 1, Aerocity, New Delhi-110037.

Correspondence by the shareholders should be addressed to:

- (a) MCS Share Transfer Agent Limited
F-65, 1st Floor, Okhla Industrial Area, Phase-I,
New Delhi – 110020
Tel. Nos. : 011-41406149 to 41406152
Fax No.: 011-41709881
E-mail : helpdeskdelhi@mcsregistrars.com/
admin@mcsregistrars.com

- (b) Exclusive E-mail for Investor Complaints :
shares@dcmshriram.com

Members holding shares in electronic mode should address all their correspondence to their respective Depository Participants.

(xv) List of all credit ratings obtained

Sr. No.	Particular	Rating
1.	Commercial Paper	A1+ (ICRA & CRISIL)
2.	Short Term	A1+ (ICRA)
3.	Long Term	AA+ (ICRA)
4.	Fixed Deposit	MAAA (ICRA)
5.	Term Loan	AA+ (ICRA)

(J) Other disclosures

- (i) There were no transactions of material nature with related parties during the year that had potential conflict with the interest of the Company at large.
- (ii) There were no instances of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital markets during the last three years.
- (iii) The Company has established a Vigil Mechanism/Whistle Blower Policy as per the requirement of the SEBI Listing Regulations, 2015 and the Companies Act, 2013. It is affirmed that no personnel was denied access to the Audit Committee.
- (iv) The Company is complying with all the mandatory requirements of SEBI Listing Regulations, 2015 as applicable.
- (v) The Company has formulated a Policy for determining 'Material' Subsidiaries, which is also available on the Company's website at the following web link:
<https://www.dcmshriram.com/sites/default/files/MATERIAL%20SUBSIDIARY%20POLICY%20-%20FINAL.pdf>
- (vi) The Company has formulated a Policy on dealing with Related Party Transactions, which is also available on the Company's website at the following web link:
<https://www.dcmshriram.com/sites/default/files/RPT%20Policy.pdf>
- (vii) The Company has obtained a certificate from Mukta Kheterapal & Co., Company Secretaries certifying that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.
- (viii) The details of total fees for all services paid to the Statutory Auditors and its network firm/entity (registered with the ICAI as Chartered Accountant) during the year ended 31.03.2022 are as below:

Particulars	Amount (In Crs.)
Statutory audit	1.40
Tax audit	0.16
Limited reviews	0.68
Other certification services	0.44
Total	2.68

*includes fee related to subsidiary company.

- (ix) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 :

Number of complaints filed during the financial year	Number of complaints disposed off during the financial year	Number of complaints pending as on end of the financial year
NIL	NIL	NIL

- (x) **Disclosure of 'Loans and advances' in the nature of loans to firms/companies in which directors are interested:** The aforesaid details are available in Note to Accounts (Note No. 31) forming part of this Annual Report.

- (xi) The Company is in compliance with Corporate Governance requirements as specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of SEBI Listing Regulations, 2015.

(K) Code of Conduct for Board Members & Senior Management Team

In compliance to the provisions of SEBI Listing Regulations, 2015, the Board has laid down a Code of Conduct for all Board Members and Senior Management Team. A copy of the said Code of Conduct is available on the Company's website at the following web link: <https://www.dcmshriram.com/code-of-conduct>

All Board Members and Senior Management Team have affirmed compliance of Code of Conduct as on 31.03.2022 and a declaration to that effect signed by Chairman & Senior Managing Director is attached and forms part of this report.

(AJAY S. SHRIRAM)

Place : New Delhi

Chairman & Sr. Managing Director

Date : May 05, 2022

DIN : 00027137

Declaration regarding Compliance of Code of Conduct

I, **Ajay S. Shriram, Chairman & Senior Managing Director and CEO of DCM Shriram Limited** hereby declare that all Board Members and Senior Management Team have affirmed compliance of the Code of Conduct for the year ended March 31, 2022.

Place : New Delhi
Date : May 05, 2022

(AJAY S. SHRIRAM)
Chairman & Sr. Managing Director
DIN : 00027137

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To

The Members of DCM Shriram Limited

This certificate is issued in accordance with the terms of our agreement dated May 31, 2021.

We have examined the compliance of conditions of Corporate Governance by **DCM Shriram Limited**, for the year ended March 31, 2022 as stipulated in Regulations 17, 17A, 18, 19, 20, 21, 22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (collectively referred to as "SEBI Listing Regulations, 2015").

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance, issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of
Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

UDIN : 22077779AIMBQZ8513

Place: Gurugram

Date: May 05, 2022

Abhishek Rara
Partner
Membership No.: 0777799

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 Standalone Balance Sheet as at March 31, 2022, and the Statement of Standalone Profit and Loss (including Other Comprehensive Income), the Statement of Standalone Changes in Equity and the Standalone Cash Flow Statement 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, 2022, 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 standalone financial statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter

4.1 Assessment of impairment of carrying value of investments and loans/advances given to subsidiaries

(Refer to the accompanying notes 1.4 (iii), 3.1, 3.2, 7.4, 9, and 31 forming integral part of the standalone financial statements)

The Company has given loans and advances to subsidiaries aggregating to Rs. 184.28 crores as at March 31, 2022, and has investments amounting to Rs. 163.62 crores in this regard.

As at the year end, net worth of most of these subsidiaries stand 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. 108.73 crores as at March 31, 2022 (including Rs. Nil during the year) against the above investments including loans and advances.

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.

4.2 Impact of government policies/ notifications on recognition of subsidy accruals/claims and their recoverability

(Refer to the accompanying notes 1.3 (g)(ii), 1.4(vi)(b), 19 and 29 forming integral part of the standalone financial statements)

During the year, the Company has recognized accruals/subsidy claims amounting to Rs. 1,121.70 crores (net) and as at March 31, 2022, the Company has receivables of Rs. 434.88 crores relating to

How our audit addressed the key audit matter

Our audit procedures included the following:

- 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 given to subsidiaries.
- 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 discount 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 management.
- We checked the mathematical accuracy of the impairment model and the appropriate accounting in the standalone financial statements.

Based on the above procedures performed, management's impairment assessment is considered to be reasonable.

Our audit procedures included the following:

- 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.
- We evaluated the management's assessment regarding reasonable certainty for complying with the relevant conditions as specified in the Notifications / policies and collections.

Independent Auditor's Report

Key Audit Matter	How our audit addressed the key audit matter
<p>such claims which is significant to the standalone financial statements.</p> <p>We considered this to be a Key Audit Matter because recognition of accruals/claims and assessment of recoverability of the claims is subject to significant judgement of the management. The area of judgement includes certainty around the satisfaction of conditions specified in the notifications/policies, collections, provisions thereof, likelihood of variation in the estimation of the related computation rates and the final notification, and basis for determination of accruals/claims.</p> <p>4.3 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), 1.4 (v), 4, 26 and 42 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 under Deferred Tax Assets (net) is Rs. 185.20 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>	<ul style="list-style-type: none"> We considered the relevant notifications/policies issued by various authorities to ascertain the appropriateness of the recognition of accruals/claims, adjustments to claims already recognised pursuant to changes in the rates and basis for determination of claims. We tested the ageing analysis and assessed the information used by the management to determine the recoverability of the claims by considering historical trends of collection against claims, the level of expected credit loss charged over time, provisions created and reversal thereof in the standalone financial statements. <p>Based on the above procedures performed, the management's estimates related to recognition of subsidy accruals/claim and their recoverability are considered to be reasonable.</p> <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> 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. We reviewed the Company's accounting policy in respect of recognizing deferred tax assets on unutilised MAT credits. 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. 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. 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>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>

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 standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained 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

6. 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

Independent Auditor's Report

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.

7. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless 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

8. 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.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal 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 standalone financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
10. 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.
 11. 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.
 12. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

13. As required by the Companies (Auditor's Report) Order, 2020 ("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.
14. 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 the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

Independent Auditor's Report

- (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 the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 28 to the standalone financial statements;
 - ii. The Company 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 during the year;
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on such audit procedures that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The dividend declared and paid during the year by the Company is in compliance with Section 123 of the Act.
15. 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

Abhishek Rara

Partner

Place: Gurugram

Date: May 05, 2022

Membership Number: 077779

UDIN: 22077779AILRHX4177

Annexure A to Independent Auditor's Report

Referred to in paragraph 14 (f) of the Independent Auditor's Report of even date to the members of DCM Shriram Limited on the standalone financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Standalone 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 standalone financial statements of DCM Shriram Limited ("the Company") as of March 31, 2022 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 ("the Guidance Note") 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.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the

Independent Auditor's Report

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 standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone 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 standalone financial statements.

Meaning of Internal Financial Controls with reference to standalone financial statements

6. A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to standalone financial statements

7. Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material

misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2022, 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 issued by ICAI.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants

Abhishek Rara

Place: Gurugram

Partner

Date: May 05, 2022

Membership Number: 077779

UDIN: 22077779AILRHX4177

Annexure B to Independent Auditors' Report

Referred to in paragraph 13 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, 2022

- i.
 - a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
 - (B) The Company is maintaining proper records showing full particulars of Intangible Assets.
 - (b) The 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 three 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 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 all the immovable properties (except for in case where such immovable properties have been transferred pursuant to the scheme of amalgamation under section 391 to 394 of the Companies Act, 1956, the transfer is through the Order of the Hon'ble High Courts and where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 2.1 to the standalone financial statements, are held in the name of the Company, except for the following:

Independent Auditor's Report

Description of property	Gross carrying value (Amount in crores)	Held in the name of	Whether promoter, director or their relative or employee	Period held - indicate range, where appropriate	Reason for not being held in the name of the Company*
Land	1.56	Andhra Pradesh Industrial Infrastructure Corporation Limited (now Telangana State Industrial Infrastructure Corporation[TSIIC])	No	14 years	In dispute*

*The Company has filed a writ petition before High Court of Telangana against cancellation of provisional allotment of the Land by TSIIC. The High Court has provided an interim stay against cancellation.

- (d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and intangible assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or intangible assets does not arise.
- (e) Based on the information and explanations furnished to us, no proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its financial statements does not arise.
- ii. (a) The physical verification of inventory excluding stocks with third parties has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. 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 10% or more in aggregate for each class of inventory.
- (b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed quarterly returns or statements with such banks and financial institutions, which are in agreement with the unaudited books of account.
- iii. (a) The Company has made investment in one company and granted unsecured loan to one company. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loan to subsidiary is as per the table given below:

	Guarantees	Security	Loans (Amount in INR crores)	Advances in nature of loans
Aggregate amount granted/ provided during the year				
- Subsidiary	-	-	1.86	-
Balance outstanding as at balance sheet date in respect of the above case				
- Subsidiary	-	-	7.1	-

(Also refer Note 3.2 to the standalone financial statements which includes above loan)

- (b) In respect of the aforesaid investment and loan, the terms and conditions under which such loan was granted/investment was made are not prejudicial to the Company's interest.
- (c) In respect of the aforesaid loan, the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.
- (d) In respect of the loans as at March 31, 2022, there is no amount which is overdue for more than ninety days.
- (e) Following loan was granted to the same party, which has fallen due during the year and were renewed. Further, no fresh loans were granted to the same party to settle the existing overdue loan.

Name of the party	Aggregate amount dues renewed or extended or settled by fresh loans (Amount in INR crores)	Percentage of the aggregate to the total loans or advances in the nature of loans granted during the year
Bioseed Holding Pvt. Ltd.	19.41	1044%

(Also refer Note 7.4 to the standalone financial statements which includes above loan)

Independent Auditor's Report

- (f) The loans granted during the year, including to related parties had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand. There were no loans which were granted to promoters during the year.
- iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of Sections 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 or amounts which are deemed to be 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, and therefore, the question of our commenting on whether the same has been complied with or not does not arise.
- 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, Fertilizer, 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.

- 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 regular in depositing undisputed statutory dues, including employees' provident fund, employees' state insurance, sales tax, income tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, professional tax and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no statutory dues of goods and services tax which have not been deposited on account of any dispute. The particulars of other statutory dues of income tax, sales tax, service tax, duty of customs, duty of excise and value added tax as at March 31, 2022 which have not been deposited on account of a dispute, are as follows:.

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs. in crores)	Amount paid under protest (Rs. in crores)	Amount Unpaid (Rs. in crores)
Central Excise Act, 1944	Excise duty	Customs, Excise and Service Tax Appellate Tribunal	2002-03, 2003-04, 2007-08, 2008-09, 2009-10, 2015-16 to 2017-18	3.51	-	3.51
Central Excise Act, 1944	Excise duty	Appellate Authority upto Commissioner's level	2009-2010, 2010-11, 2014-15, 2015-16	0.56	0.01	0.55
Finance Act, 1994	Service Tax	Appellate Authority upto Commissioner's level	2005-06, 2006-07, 2007-08, 2015-16, 2016-17, 2017-18	0.24	-	0.24
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	2007-08, 2015-16, 2016-17, 2017-18	1.28	0.52	0.76
Sales Tax Laws	Sales Tax	Supreme Court	1999-2000 to 2004-05	0.43	0.43	-
Customs Tax Act, 1962	Customs duty	Customs, Excise and Service Tax Appellate Tribunal	2012-2013, 2018-19	9.84	0.62	9.21
Customs Tax Act, 1962	Customs duty	Appellate Authority upto Commissioner's level	2012-13, 2014-15	0.03	-	0.03

Independent Auditor's Report

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

Name of Statute	Nature of Dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount Involved (Rs. in crores)	Amount paid under protest (Rs. in crores)	Amount Unpaid (Rs. in crores)
Central Excise Act, 1944	Excise	High Court	2005-06, 2008-09, 2011-12, 2012-13	4.68	-	4.68
Central Excise Act, 1944	Excise	Customs, Excise and Service Tax Appellate Tribunal	2012-13, 2013-14, 2014-15	0.05	0.00	0.04
Finance Act, 1994	Service Tax	Supreme Court	2008-09, 2009-10, 2010-11, 2011-12, 2012-13	31.66	-	31.66
Sales Tax Laws	Sales Tax	Supreme Court	2000-01, 2003-04	17.05	0.20	16.85
Sales Tax Laws	Sales Tax	High Court	2004-05, 2005-06, 2006-07	0.85	-	0.85
Sales Tax Laws	Sales Tax	Appellate Authority upto Commissioner's level	2007-08, 2015-16	0.01	-	0.01
Income Tax Act	Income Tax	High Court	2001-02	1.99	-	1.99

- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- ix. (a) 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 other borrowings or in the payment of interest to any lender during the year.
- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion, and according to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained, other than Rs. 85.15 crores which remains unutilised as at March 31, 2022.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) 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, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (b) 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.
- (c) 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, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.
- xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.
- 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 the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

Independent Auditor's Report

- xiv. (a) In our opinion and according to the information and explanation given to us, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi) (a) of the Order is not applicable to the Company.
- (b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi) (b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi) (c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi) (d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly the reporting under clause (xviii) is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (Also refer Note 55 to the standalone financial statements), ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.
- xx. (a) In respect of other than ongoing projects, as at balance sheet date, the Company does not have any amount remaining unspent under Section 135(5) of the Act.
- (b) The Company has transferred the amount of Corporate Social Responsibility remaining unspent under sub-section (5) of Section 135 of the Act pursuant to ongoing projects to a special account in compliance with the provision of sub-section (6) of Section 135 of the Act. Details are as given below:

Amount in Rs. crores					
Financial year	Amount to be spent in accordance with section 135(5)	Amount remaining unspent as at the year-end to be transferred special account u/s 135(6)	Amount transferred to Special Bank Account u/s 135(6), within 30 days from end of financial year (or till the date of audit report, if that is earlier)	Amount transferred to Special Bank Account u/s 135(6), after a period of 30 days from end of financial year (till the date of audit report)	Amount not transferred to Special Bank Account u/s 135(6), till the date of audit report
(a)	(b)	(c)	(d)	(e)	(f)
2021-2022	19.94	2.51	2.51	-	-

Also refer Note 38.1 to the standalone financial statements.

- xxi. The reporting under clause 3(xxii) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants

Abhishek Rara

Place: Gurugram
Date: May 05, 2022

Partner
Membership Number: 077779
UDIN: 22077779AILRHX4177

Standalone Balance Sheet

As At March 31, 2022

	Note	As at March 31, 2022 Rs. Crores	As at March 31, 2021 Rs. Crores
ASSETS			
Non-current assets			
Property, plant and equipment	2.1	3,274.53	3,237.03
Capital work -in- progress	2.1	485.53	103.40
Investment property	2.2	0.40	0.41
Intangible assets	2.3	11.55	13.08
Intangible assets under development	2.3	9.24	5.77
Financial assets			
Investments	3.1	98.59	74.79
Loans	3.2	23.44	129.75
Other financial assets	3.3	32.56	39.04
Deferred tax assets (net)	4	-	3.32
Other non-current assets	5	225.94	72.84
Total non-current assets		4,161.78	3,679.43
Current assets			
Inventories	6	2,246.68	1,761.87
Financial assets			
Trade receivables	7.1	853.95	501.54
Cash and cash equivalents	7.2	874.90	840.48
Bank balances other than cash and cash equivalents	7.3	675.17	463.60
Loans	7.4	137.02	23.36
Other financial assets	7.5	35.21	237.14
Current tax assets (net)	8	44.16	41.01
Other current assets	9	227.77	150.65
Total current assets		5,094.86	4,019.65
Assets classified as held for sale	10	41.44	69.39
Total assets		9,298.08	7,768.47
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	31.35	31.35
Other equity	12	5,494.74	4,661.47
Total equity		5,526.09	4,692.82
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	13.1	951.34	1,012.17
Lease liability		54.70	50.60
Other financial liabilities	13.2	0.05	0.28
Provisions	14	250.95	243.25
Deferred tax liabilities (net)	4	214.50	-
Other non-current liabilities	15	4.53	10.13
Total non-current liabilities		1,476.07	1,316.43
Current liabilities			
Financial liabilities			
Borrowings	16.1	553.28	440.48
Lease liability		11.93	16.52
Trade payables	16.2		
- total outstanding dues of micro enterprises and small enterprises		35.83	26.44
- total outstanding dues of creditors other than micro enterprises and small enterprises		873.23	642.04
Other financial liabilities	16.3	227.91	157.35
Provisions	17	55.08	58.48
Other current liabilities	18	520.79	398.86
Total current liabilities		2,278.05	1,740.17
Liabilities associated with assets classified as held for sale		17.87	19.05
Total equity and liabilities		9,298.08	7,768.47

The accompanying notes form an integral part of the standalone financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants

Abhishek Rara
Partner
Membership No. 077779
Place: Gurugram
Date: May 5, 2022

Sameet Gambhir
Company Secretary
Place: New Delhi

Amit Agarwal
Chief Financial Officer
Place: New Delhi

Pradeep Dinodia
Director
DIN: 00027995
Place: New Delhi

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137
Place: New Delhi

Statement of Standalone Profit and Loss

For The Year Ended March 31, 2022

	Note	Year ended March 31, 2022 Rs. Crores	Year ended March 31, 2021 Rs. Crores
Revenue from operations	19	9,676.55	8,211.99
Other income	20	93.89	89.67
Total income		9,770.44	8,301.66
Expenses			
Cost of materials consumed		3,889.40	3,315.55
Purchases of stock-in-trade		838.83	797.75
Changes in inventories of finished goods, stock-in-trade and work-in-progress	21	(385.86)	385.92
Excise duty		221.98	-
Employee benefits expense	22	772.29	715.98
Finance costs	23	85.07	121.79
Depreciation and amortisation expense	24	234.53	229.86
Power and fuel		1,535.46	900.37
Other expenses	25	1,039.18	958.67
Total Expenses		8,230.88	7,425.89
Profit before tax		1,539.56	875.77
Tax expense	26		
- Current tax		480.62	173.06
- Deferred tax		13.22	38.59
- Tax adjustments related to earlier years		(3.03)	1.64
Total tax expense		490.81	213.29
Profit after tax		1,048.75	662.48
Other comprehensive income			
(i) Items that will not be re-classified to profit or loss:			
- Remeasurements of defined benefit obligation	32 (ii)	0.81	6.90
- Income tax relating to items that will not be re-classified to profit or loss		(0.28)	(2.41)
(ii) Items that may be re-classified to profit or loss:			
- Effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge		(13.75)	3.62
- Income tax relating to items that may be re-classified to profit or loss		4.81	(1.27)
Total other comprehensive income (net of tax)		(8.41)	6.84
Total comprehensive Income		1,040.34	669.32
Earnings per equity share-basic/diluted (Rs.) (Face value Rs 2 per share)	27	67.25	42.48

The accompanying notes form an integral part of the standalone financial statements

In terms of our report attached

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants

Abhishek Rara
Partner
Membership No. 077779
Place: Gurugram
Date: May 5, 2022

Sameet Gambhir
Company Secretary
Place: New Delhi

Amit Agarwal
Chief Financial Officer
Place: New Delhi

Pradeep Dinodia
Director
DIN: 00027995
Place: New Delhi

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137
Place: New Delhi

Statement of Standalone Changes In Equity

For The Year Ended March 31, 2022

	Equity Share Capital	Other Equity						Total Other Equity	Total Equity
		Reserves and Surplus					Other comprehensive income		
		Capital redemption reserve	Storage fund for molasses account	General Reserve	Surplus in Statement of profit and loss	Shares held by Trust under ESPS Scheme	Cash flow hedging reserve		
As at April 1, 2020	31.35	10.40	1.40	614.29	3,458.16	(7.23)	(3.03)	4,073.99	4,105.34
Profit for the year	-	-	-	-	662.48	-	-	662.48	662.48
Movements related to employees stock purchase scheme	-	-	-	1.74	-	-	-	1.74	1.74
Dividend on shares held by ESPS trust	-	-	-	-	0.86	-	-	0.86	0.86
Dividends on equity shares (Rs 5.50 per equity share)	-	-	-	-	(85.77)	-	-	(85.77)	(85.77)
Corporate dividend tax	-	-	-	-	-	-	-	-	-
Shares granted to employees under ESPS	-	-	-	-	-	1.33	-	1.33	1.33
Transfer to/(from) storage fund for molasses	-	-	0.56	-	(0.56)	-	-	-	-
Remeasurement of defined benefit obligation (net of tax)	-	-	-	-	4.49	-	-	4.49	4.49
Effective portion of gain and losses on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	-	-	-	-	-	2.35	2.35	2.35
As at March 31, 2021	31.35	10.40	1.96	616.03	4,039.66	(5.90)	(0.68)	4,661.47	4,692.82
Profit for the year	-	-	-	-	1,048.75	-	-	1,048.75	1,048.75
Movements related to employees stock purchase scheme	-	-	-	3.19	-	-	-	3.19	3.19
Dividend on shares held by ESPS trust	-	-	-	-	1.37	-	-	1.37	1.37
Dividends on equity shares (Rs 13.60 per equity share)	-	-	-	-	(212.08)	-	-	(212.08)	(212.08)
Shares granted to employees under ESPS	-	-	-	-	-	0.45	-	0.45	0.45
Transfer to/(from) storage fund for molasses	-	-	0.60	-	(0.60)	-	-	-	-
Remeasurement of defined benefit obligation (net of tax)	-	-	-	-	0.53	-	-	0.53	0.53
Effective portion of gain and losses on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	-	-	-	-	-	(8.94)	(8.94)	(8.94)
As at March 31, 2022	31.35	10.40	2.56	619.22	4,877.63	(5.45)	(9.62)	5,494.74	5,526.09

The accompanying notes form an integral part of the standalone financial statements

In terms of our report attached

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants

For and on behalf of the Board of Directors

Abhishek Rara
Partner
Membership No. 077779
Place: Gurugram
Date: May 5, 2022

Sameet Gambhir
Company Secretary
Place: New Delhi

Amit Agarwal
Chief Financial Officer
Place: New Delhi

Pradeep Dinodia
Director
DIN: 00027995
Place: New Delhi

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137
Place: New Delhi

Standalone Cash Flow Statement

For The Year Ended March 31, 2022

	Year ended March 31, 2022 Rs. Crores	Year ended March 31, 2021 Rs. Crores
A. Cash flow from operating activities		
Net profit after tax:	1,048.75	662.48
Adjustments for :		
Income tax expense recognized in profit or loss	490.81	213.29
Depreciation and amortization expense	234.53	229.86
Net gain on financial assets and liquid investments	(30.13)	(14.69)
(Profit) on sale of property, plant and equipment (including assets held for sale)	(8.45)	(3.48)
Provision for credit impaired receivables (net)	7.43	5.20
Provision for credit impaired loans and advances (net)	0.15	3.68
Provision for credit impaired other financial assets (net)	0.10	28.95
(Reversal) for impairment in value of assets (including assets held for sale)	(4.06)	(5.05)
Finance costs	85.07	121.79
Interest income	(38.78)	(30.10)
Operating profit before working capital changes	1,785.42	1,211.93
Changes in operating assets and liabilities:		
Decrease/(Increase) in Trade receivables	(359.84)	613.43
(Increase) in Loans and advances	(6.91)	(8.51)
Decrease/(Increase) in Other financial assets	210.60	(14.70)
Decrease/(Increase) in Inventories	(484.81)	381.81
Decrease/(Increase) in Other current/non-current assets	(79.30)	29.05
Increase/(Decrease) in Trade payables	240.58	(241.74)
Increase in Provisions	5.11	16.44
Increase in Other financial liabilities	45.16	6.50
Increase in Other current/non-current liabilities	116.33	34.46
Cash generated from operations	1,472.34	2,028.67
Income taxes paid (net of refunds)	(271.61)	(159.79)
Net cash from operating activities	1,200.73	1,868.88
B. Cash flow from investing activities		
Purchase of property, plant and equipment (includes borrowing cost capitalised Rs 16.43 crores; 2020-21 - Rs 2.60 crores)	(766.43)	(249.79)
Purchase of intangible assets	(6.71)	(2.44)
(Increase) in Bank deposits and current account balances with banks (Earmarked for unpaid dividend, margin money and deposit with banks for specific purpose)	(77.32)	(0.34)
(Increase) in Callable bank deposits (having original maturity more than 3 months)	(126.82)	(446.08)
Sale of property, plant and equipment	11.64	5.15
Proceeds from asset held for sale	38.16	24.74
Decrease in Loans and advances to subsidiary companies	0.25	4.47
Interest received	29.16	18.65
Profit on sale of investments	19.53	6.21
Purchase of equity shares of joint venture (refer note 35)	(23.80)	-
Proceeds from sale of subsidiary	-	0.35
Net cash used in investing activities	(902.34)	(639.08)
C. Cash flow from financing activities		
Proceeds/(Repayment) from/of Long term borrowings	(118.06)	112.84
Proceeds/(Repayment) from/of Short term borrowings	163.50	(792.87)
(Repayment) of loans repayable on demand from banks	(0.72)	(0.28)
Dividends paid	(212.08)	(85.77)
Principal payment of lease liabilities (refer note 34)	(16.94)	(13.54)
Interest paid on lease liabilities (refer note 34)	(5.38)	(7.89)
Finance costs paid	(74.29)	(126.08)
Net cash used in financing activities	(263.97)	(913.59)
Net increase in cash and cash equivalents	34.42	316.21
Cash and cash equivalents at the beginning of the year (excluding callable bank deposits)	840.48	524.27
Cash and cash equivalents at the end of the year (excluding callable bank deposits)	874.90	840.48
Note: Cash flow statements are prepared in accordance with 'indirect method' as per IndAS 7 - 'Statement of Cash Flows'		
Reconciliation of cash and cash equivalents as per the Cash flow statement		
Cash and cash equivalents as per above comprise of the following:		
Cash and cash equivalents (refer note 7.2)	874.90	840.48
Balances as per statement of cash flows	874.90	840.48

The accompanying notes forms an integral part of the above cash flow statement

In terms of our report attached

For and on behalf of the Board of Directors

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants

Abhishek Rara
Partner
Membership No. 077779
Place: Gurugram
Date: May 5, 2022

Sameet Gambhir
Company Secretary
Place: New Delhi

Amit Agarwal
Chief Financial Officer
Place: New Delhi

Pradeep Dinodia
Director
DIN: 00027995
Place: New Delhi

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137
Place: New Delhi

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

1.1 Company Overview

DCM Shriram Limited ('the Company') is a public limited company incorporated in India. The Holding company, Sumant Investments Private Limited owns 63.03% of equity share capital of the Company. The registered office of the Company is at 2nd Floor (West Wing), World Mark 1, Aerocity, New Delhi – 110037, India.

The financial statements have been approved by Board of Directors in their board meeting dated May 5, 2022.

The business portfolio of the Company comprises of

- Chloro-Vinyl
- Sugar
- Shriram Farm Solutions
- Bioseed
- Fertilisers
- Others: (Fenesta, Cement and Hariyali Kisaan Bazaar)

The Company has presence in various parts of India and its principal place of businesses together with major products are as under:

Business (Products)	Principal places
Chloro- Vinyl (Poly-vinyl chloride, carbide and chlor alkali)	Kota (Rajasthan) and Bharuch (Gujarat)
Sugar (Sugar, molasses ethanol and power)	Ajbapur, Rupapur, Hariawan and Loni at Uttar Pradesh
Shriram Farm Solutions (Trading of agri inputs)	Distribution Network across India
Bioseed (Hybrid seeds)	Hyderabad
Fertilisers (Urea)	Kota (Rajasthan)
Fenesta (Windows and doors)	Kota and Bhiwadi (Rajasthan), Chennai (Tamilnadu), Hyderabad (Telengana)
Cement (Cement)	Kota (Rajasthan)
Hariyali Kisaan Bazaar (Fuel)	Fuel outlets at various parts of India

1.2 Basis of preparation of financial statements

The Financial Statements are prepared on an accrual basis under historical cost Convention except for certain financial instruments which are measured at fair value. These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ("The Act") and other relevant provisions of the Act, as applicable.

1.3 Significant accounting policies

a) Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost of acquisition or construction is inclusive of freight, duties, taxes, other directly attributable incidental expenses and gains or losses on effective portion of cash flow hedges related to purchase in foreign currency and interest on loans attributable to the acquisition or construction of assets up to the date of commissioning of assets.

On the date of transition to Ind AS i.e. April 1, 2015, the Company has opted to measure all of its property, plant and equipment at their previous Generally Accepted Accounting Principles net carrying value and use that net carrying value as its deemed cost.

The Company is following straight line method of depreciation in respect of buildings, plant and equipment and written down value method in respect of other assets.

Depreciation on all tangible assets is provided on the basis of estimated useful life and residual value determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc., which coincides with the useful life as prescribed under Schedule II of the Companies Act 2013 except for certain items of Plant and Equipment.

(i) Estimated useful lives:

Asset	Useful life
Buildings:	
- Roads	3-10 years
- Other than roads	30-60 years
Leasehold improvements	5-10 Years
Plant and equipment used in generation, transmission and distribution of power	25-40 years
Plant and equipment (other than used in generation, transmission and distribution of power)	3-40 years
Furniture and fixtures	8-10 Years
Office equipments	5 Years
Vehicles	8-10 Years

(ii) Estimated residual value:

Asset	Residual value
Certain electrical equipment	10%
Other assets	0-5%

Depreciation is calculated on a pro-rata basis from the date of additions, except in cases of assets costing up to Rs. 5000 each, where each asset is fully depreciated in the year of purchase. On assets sold, discarded etc. during the year, depreciation is provided up to the date of sale/discard.

b) Intangible assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment loss, if any. Cost of acquisition is inclusive of duties, taxes, consultancy and other directly attributable incidental expenses.

On the date of transition to Ind AS i.e. April 1, 2015, the Company has opted to measure all of its intangible assets at their previous Generally Accepted Accounting Principles net carrying value and use that net carrying value as its deemed cost.

Amortization of intangibles is provided on straight line basis over its estimated useful lives as follows:

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

Technical know-how	10 years
Software	5 years

On assets sold, discarded etc. during the year, amortization is provided up to the date of sale/discard.

c) Investment property

Investment property are stated at cost less accumulated depreciation and impairment loss, if any.

Cost of acquisition or construction is inclusive of duties, taxes and incidental expenses and interest on loans attributable to the acquisition/construction of properties up to the date of Commissioning.

On the date of transition to Ind AS i.e. April 1, 2015, the Company has opted to measure all of its investment properties at their previous Generally Accepted Accounting Principles net carrying value and use that net carrying value as its deemed cost.

The Company is following straight line method of depreciation in respect of buildings. Depreciation on buildings is provided on the basis of useful life and residual value estimated by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset etc. The estimated useful life of building is 58-60 years and estimated residual value is 5%.

d) Assets held for sale

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount (cost less accumulated depreciation, if any) on the date of transfer to assets held for sale and fair value assessed on annual basis. Gain for any subsequent increase in fair value less cost to sale of an asset is recognised only upto the extent of cumulative impairment loss that has been recognized.

e) Leases

Company as a lessee

The Company at the commencement date recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets in accordance with IndAS 116 'Leases'. The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs etc.

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

For lease liabilities at the commencement date, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is

readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease. The Company recognises lease income as and when due as per terms of agreements. The respective leased assets are included in the financial statements based on their nature. The Company did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

f) Inventories

Inventories, other than By-products, are valued at lower of cost (determined on weighted average basis) and net realisable value. The bases for determining cost for different categories of inventory are as under:

Stores & spares, raw materials and stock-in-trade	Cost of purchases (including other cost incurred in bringing inventory to its present location and condition)
Work in-Progress and finished goods	Direct Cost (including material, labour etc), conversion cost and appropriate share of overheads. The costs allocation between the joint products is carried out based on technical estimates

By-products are valued at estimated net realisable value

g) Revenue recognition

- Sales are recognized, at values as per agreements, net of returns, trade discounts and volume discounts, if any, on transfer of significant risks and rewards of ownership/effective Control to the buyer, which coincides with dispatch/delivery/installation to customers, as applicable. Sales include excise duty but exclude sales tax, value added tax and Goods and Service tax.
- Under the retention pricing scheme, the Government of India reimburses to the fertilizer industry, the difference between the retention price based on the cost of production and selling price (as realized from the farmers) as fixed by the Government from time to time, in the form of subsidy. The effect of variation in input costs/expenses on retention price yet to be notified is accounted for by the Company as income for the year based on its ultimate collection with reasonable degree of certainty at the time of accrual.

h) Government grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

Government grants are recognized where there is reasonable assurance that the Company will comply with the conditions attached to it and that the grants will be received.

Grants are presented as part of income in the statement of profit and loss; alternatively they are deducted in reporting the related expense.

The benefit of a government loan at a below market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on the prevailing market interest rates.

i) Employee benefits

(i) Defined contribution plans

Company's contribution paid/payable during the year to provident fund, superannuation fund and employees' state insurance corporation are recognized in the statement of profit and loss. For the Provident Fund Trust administered by the Company, it is liable to meet the shortfall, if any, in payment of interest at the rates declared by the Central Government, and such liability is recognized in the year of shortfall.

(ii) Defined benefit plans

The liability recognized in respect of gratuity is the present value of defined benefit obligation at the end of the reporting period less the fair value of plan assets, where applicable. The Company makes contribution to the LIC for Employees Gratuity Scheme in respect of employees of one of the division. The defined benefit obligation is calculated annually by actuary using the Projected Unit Credit Method. Re-measurement comprising actuarial gains and losses and return on plan assets (excluding net interest) are recognized in the other comprehensive income for the period in which they occur and is not reclassified to profit or loss.

(iii) Compensated absences

Provision for earned leave and medical leave is determined on an actuarial basis at the end of the year and is charged to the statement of profit and loss each year. Actuarial gains and losses are recognized in the statement of profit and loss for the period in which they occur.

(iv) Share based payments

Equity settled share based payments to employees under DCM Shriram Employees Stock Purchase Scheme (ESPS) are measured at the Fair value (which equals to Market price less exercise price) of the equity instruments at grant date. Fair value determined at the grant date is expensed on a straight line basis over the vesting period.

j) Foreign currency transactions

The functional currency of the Company is Indian rupee. Transactions in foreign currencies are recorded on initial

recognition at the exchange rate prevailing on the date of the transaction.

Monetary items (i.e. receivables, payable, loans etc) denominated in foreign currency are reported using the closing exchange rate on each reporting date.

The exchange difference arising on the settlement of monetary items or on reporting these items at rates different from rates at which these were initially recorded/reported in previous financial statements are recognized as income/expense in the period in which they arise except for exchange difference on foreign currency borrowings relating to asset under construction for future use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings.

k) Financial instruments

Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial asset or financial liabilities, as appropriate, on initial recognition.

Subsequent measurement:

A. Non-derivative financial instruments

(i) **Financial assets carried at amortised cost** : A financial asset is subsequently measured at amortised cost if it is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

(ii) **Financial assets carried at fair value through other comprehensive income (FVTOCI)**

The Company has made an irrevocable election for its investments which are classified as equity instruments (Other than Investment in Subsidiaries and Joint Venture) to present the subsequent changes in fair value in other comprehensive income.

(iii) **Investment in subsidiaries and Joint Venture:** Investment in equity instruments of subsidiaries and joint venture is carried at cost less impairment, if any, in the separate financial statements.

(iv) **Financial assets carried at fair value through profit or loss (FVTPL)**

A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss.

(v) **Financial liabilities:** Financial liabilities are subsequently measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

approximate fair value due to the short maturity of these instruments.

B. Derivative financial instruments: The Company holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The Company also holds swaps to mitigate interest rate risks. The counterparty for these contracts is generally a bank.

(i) Cash flow hedge: The effective portion of changes in the fair value of the hedging instruments is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Such amounts are reclassified in to the statement of profit or loss when the related hedge items affect profit or loss except in respect of inventories and property, plant and equipment where such changes are adjusted to their cost.

Any ineffective portion of changes in the fair value of the derivative or if the hedging instrument no longer meets the criteria for hedge accounting, is recognized immediately in the statement of profit and loss.

(ii) Fair Value Hedge: Changes in fair value of derivatives including forward exchange contracts that qualify as fair value hedge are recognized in profit or loss.

(iii) Financial instruments at fair value through profit or loss: This category has derivative financial instruments which are not designated as hedges.

Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial instruments at fair value through profit or loss.

De-recognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

I) Impairment

i) Financial assets

The Company recognizes loss allowances using the expected credit loss for the financial assets which are not measured at fair value through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

ii) Non-financial assets:

Tangible and intangible assets

Property, plant and equipment and intangible assets are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair

value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit or loss. The Company review/assess at each reporting date if there is any indication that an asset may be impaired.

m) Income taxes

The Income-tax liability is provided in accordance with the provisions of the Income-tax Act, 1961. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Income tax and deferred tax are measured on the basis of the tax rates and tax laws enacted or substantively enacted at the end of the reporting period and are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the income tax and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

n) Provisions

Provisions for claims including litigations are recognised when the Company has a present obligation as a result of past events, in the year when it is established by way of orders of court or government notifications etc. that it is probable that an outflow of resources will be required to settle the obligations and the amount can be reasonably estimated. The provision including any subsequent adjustments are accounted for in the same expenditure line item to which the claim pertains.

1.4 Use of estimates

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of asset and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the period presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other sources of estimation uncertainty at the end of the reporting

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future are:

i) Useful lives and residual value of property, plant and equipment, intangible assets and Investment Properties:

Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc and same is reviewed at each financial year end.

ii) Leases: The Company determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives.

The discount rate is generally based on the incremental borrowing rate. To determine the incremental borrowing rate, the Company uses recent third-party financing received by the Company, adjusted to lease term etc, specific to the lease being evaluated.

iii) Impairment of investments: The Company reviews the carrying value of long term investments in equity/preference shares of subsidiaries, joint venture and other companies carried at cost/amortized cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

iv) Income tax: For computing the income-tax provision as at the year end, the Company continues to estimate profits

pertaining to its captive power units eligible for deduction u/s 80-IA of the Income-tax Act (the Act), as in the previous years. Based on the recent judgements, during the year the Company has preferred enhanced claim of deduction available u/s 80-IA of the Act, wherever permissible under the Act including for the earlier financial years for the purpose of filing Income tax return.

v) Deferred tax assets: The Company reviews the carrying amount of deferred tax assets including Minimum alternate tax credit at the end of each reporting period and reduces to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

vi) Revenue:

a) Provision of Sales Returns, Warranties and Discounts: Provision for Sales Returns, Warranties and Discounts are estimated based on past experience, market conditions and announced schemes.

b) Claims from 'Fertiliser Industry Coordination Committee' (FICC), Government of India: The Company takes revenue credits for urea subsidy claims, which are pending notification/ final acceptance by 'Fertiliser Industry Coordination Committee' (FICC), Government of India, in pursuance of the Retention Price Scheme administered for nitrogenous fertilisers, when as per judgment of the Company, there is reasonable certainty based on Policy and past experience that claims will be notified in due course (also refer note 29).

vii) Provision for gratuity and compensated absences: The provision for gratuity and compensated absences are based on actuarial valuation using the projected unit credit method. The Company uses actuarial assumptions to determine the obligation for employee benefit at each reporting period. These assumptions include the discount rate, salary escalation and employee turnover rate.

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

2.1 Property, plant and equipment

Rs. Crores

	Freehold Land	Buildings	Leasehold Improvements	Plant and Equipments	Furniture and Fixtures	Office Equipments	Right of use asset - Land	Right of use asset - Building	Vehicles	Total
Gross Carrying amount										
Balance as at April 1, 2020	50.18	421.76	8.00	3,167.71	12.22	24.02	15.05	146.01	71.36	3,916.31
Additions	3.08	29.24	-	99.19	1.36	3.90	-	2.91	2.68	142.36
Transferred from asset held for sale (refer footnote 6 below)	0.41	4.83	-	-	-	-	-	-	-	5.24
Transferred from Investment property (refer note 2.2)	1.20	5.34	-	-	-	-	-	-	-	6.54
Disposals	(0.10)	(0.07)	(0.97)	(13.43)	(1.15)	(1.98)	-	(53.78)	(6.11)	(77.59)
Balance as at March 31, 2021	54.77	461.10	7.03	3,253.47	12.43	25.94	15.05	95.14	67.93	3,992.86
Additions	8.46	27.52	-	186.29	4.20	6.12	7.90	18.34	26.90	285.73
Transferred to asset held for sale	(1.73)	-	-	(0.97)	-	-	-	-	-	(2.70)
Transferred to Investment property (refer note 2.2)	-	(1.48)	-	-	-	-	(1.78)	-	-	(3.26)
Disposals	(0.46)	(0.75)	-	(35.18)	(0.94)	(1.59)	-	(15.98)	(14.16)	(69.06)
Balance as at March 31, 2022	61.04	486.39	7.03	3,403.61	15.69	30.47	21.17	97.50	80.67	4,203.57
Accumulated Depreciation										
Balance at April 1, 2020		52.55	5.02	424.19	6.26	14.45	0.51	18.85	36.72	558.55
Depreciation charge for the year		17.35	0.68	165.25	1.59	4.72	0.34	19.43	10.78	220.14
Disposals		(0.03)	(0.97)	(9.43)	(0.94)	(1.45)	-	(6.63)	(4.02)	(23.47)
Transferred from Investment property (refer note 2.2)		0.61	-	-	-	-	-	-	-	0.61
Balance at March 31, 2021		70.48	4.73	580.01	6.91	17.72	0.85	31.65	43.48	755.83
Depreciation charge for the year		18.16	0.55	174.99	1.85	4.93	0.26	18.43	10.56	229.73
Transferred to Asset held for sale		-	-	(0.30)	-	-	-	-	-	(0.30)
Transferred to Investment property (refer note 2.2)		-	-	-	-	-	(0.33)	-	-	(0.33)
Disposals		(0.05)	-	(29.03)	(0.73)	(1.58)	-	(13.33)	(11.17)	(55.89)
Balance at March 31, 2022		88.59	5.28	725.67	8.03	21.07	0.78	36.75	42.87	929.04
Net carrying amount										
As at March 31, 2022	61.04	397.80	1.75	2,677.94	7.66	9.40	20.39	60.75	37.80	3,274.53
As at March 31, 2021	54.77	390.62	2.30	2,673.46	5.52	8.22	14.20	63.49	24.45	3,237.03
Capital work in progress										
[refer note 56(a)]										
As at March 31, 2022										485.53
As at March 31, 2021										103.40

Footnotes:

1. Refer note 23 for information on borrowing costs capitalised during the year.
2. Refer note 28 (ii) for information on contractual commitments for acquisition of property, plant and equipment.
3. Refer note 34(ii) for information on property, plant and equipment where the Company is a lessor under operating lease.
4. Refer note 41 for information on property, plant and equipment pledged as security.
5. Freehold land includes Rs. 1.56 crores (March 31, 2021 - Rs 1.56 crores) pending registration in favour of the Company. Also refer note 53.
6. Pursuant to use for business operations, these have been reclassified to Property, Plant and Equipment.

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

2.2 Investment property

	Rs. Crores		
	Land	Buildings	Total
Gross Carrying amount			
Balance as at April 1, 2020	1.41	5.57	6.98
Transferred to Property, plant and equipment (refer note 2.1)	(1.20)	(5.34)	(6.54)
Balance as at March 31, 2021	0.21	0.23	0.44
Transferred from Property, plant and equipment (refer note 2.1)	1.78	1.48	3.26
Disposals	(1.78)	(1.48)	(3.26)
Balance as at March 31, 2022	0.21	0.23	0.44
Accumulated Depreciation			
Balance at April 1, 2020		0.54	0.54
Depreciation charge for the year		0.10	0.10
Transferred to Property, plant and equipment (refer note 2.1)		(0.61)	(0.61)
Balance at March 31, 2021		0.03	0.03
Depreciation charge for the year		0.03	0.03
Transferred from Property, plant and equipment (refer note 2.1)	0.33	-	0.33
Disposals	(0.33)	(0.02)	(0.35)
Balance as at March 31, 2022	-	0.04	0.04
Net carrying amount			
As at March 31, 2022	0.21	0.19	0.40
As at March 31, 2021	0.21	0.20	0.41

Refer note 33 for other information relating to investment property

2.3 Intangible assets

	Rs. Crores		
	Technical Know how	Software	Total
Gross carrying amount			
Balance as at April 1, 2020	4.31	50.28	54.59
Additions	-	4.73	4.73
Disposals	(0.38)	(0.35)	(0.73)
Balance as at March 31, 2021	3.93	54.66	58.59
Additions	-	3.24	3.24
Disposals	-	-	-
Balance as at March 31, 2022	3.93	57.90	61.83
Accumulated amortization			
Balance as at April 1, 2020	0.62	35.61	36.23
Amortization for the year	0.36	9.26	9.62
Disposals	-	(0.34)	(0.34)
Balance as at March 31, 2021	0.98	44.53	45.51
Amortization for the year	0.34	4.43	4.77
Disposals	-	-	-
Balance as at March 31, 2022	1.32	48.96	50.28
Net carrying amount			
As at March 31, 2022	2.61	8.94	11.55
As at March 31, 2021	2.95	10.13	13.08
Intangible assets under development*			
As at March 31, 2022			9.24
As at March 31, 2021			5.77

* refer note 56 (b)

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2022

	As at March 31, 2022 Rs. Crores		As at March 31, 2021 Rs. Crores	
3 NON-CURRENT FINANCIAL ASSETS				
3.1 Non-current investments				
(i) Investment in Equity Instruments				
- Subsidiaries (at cost)				
Unquoted				
Nil* (March 31, 2021: 11,74,551)				
Equity shares of US\$ 1 each fully paid-up of Bioseeds Limited	-	-	14.41	-
Less: Provision for impairment in value of investment	-	-	(14.41)	-
10,00,000 (March 31, 2021: 10,00,000)				
Equity shares of Rs 10 each fully paid up of Hariyali Rural Ventures Limited		1.00		1.00
50,000 (March 31, 2021: 50,000)				
Equity shares of Rs 10 each fully paid up of Fenesta India Limited		0.05		0.05
40,50,000 (March 31, 2021: 40,50,000)				
Equity shares of Rs 10 each, fully paid up of Shriram Bioseed Ventures Limited	20.05		20.05	
Less: Provision for impairment in value of investment	(20.05)	-	(20.05)	-
1** (March 31, 2021: Nil)				
Equity share of Rs 10 each fully paid of Shriram Bioseed Ventures Limited (# - Rs. 10)		#		-
94,475 (March 31, 2021: 94,475) Class A				
Equity shares of USD 1 each, fully paid up of Bioseed Holding PTE Limited	0.60		0.60	
Less: Provision for impairment in value of investment	(0.60)	-	(0.60)	-
116,00,000 (March 31, 2021: 116,00,000) Class B				
Equity shares of USD 1 each, fully paid up of Bioseed Holding PTE Limited	76.03		76.03	
Less: Provision for impairment in value of investment	(34.84)	41.19	(34.84)	41.19
138,42,105 (March 31, 2021 - 138,42,105) Class B		18.80		18.80
Equity shares of USD 0.19 each, fully paid up of Bioseed Holding PTE Limited				
60,01,208 (March 31, 2021: 60,01,208)				
Equity shares of Rs 10 each, fully paid-up of DCM Shriram Credit and Investments Limited		0.22		0.22
83,51,207 (March 31, 2021: 83,51,207)				
Equity shares of Rs 10 each, fully paid-up of DCM Shriram Aqua Foods Limited		4.22		4.22
50,000 (March 31, 2021: 50,000)				
Equity shares of Rs 10 each, fully paid up of Shridhar Shriram Foundation		0.05		0.05
1,00,014 (March 31, 2021: 1,00,014)				
Equity shares of Rs 10 each, fully paid up of Bioseed India Limited	0.10		0.10	
Less: Provision for impairment in value of investment	(0.05)	0.05	(0.05)	0.05
17,50,280 (March 31, 2021: 17,50,280)				
Equity shares of Rs 10 each, fully paid up of Shri Ganpati Fertilizers Limited ##-(Re. 1)			##	
Less: Sold during the previous year		-	##	-
34,65,000 (March 31, 2021: Nil***)				
Equity shares of Rs 10 each, fully paid-up of Shriram Polytech Limited		27.22		-
*** refer note 35				
		92.80		65.58
- Joint Venture (at cost)				
Unquoted				
Nil*** (March 31, 2021: 17,32,500)				
Equity shares of Rs 10 each, fully paid up of Shriram Axiall Private Limited		-		3.42
*** refer note 35				

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

	As at March 31, 2022 Rs. Crores	As at March 31, 2021 Rs. Crores
- Others		
Unquoted (at fair value through other comprehensive income)		
18,61,134 (March 31, 2021: 18,61,134)		
Equity shares of Rs 10 each, fully paid up of Narmada Clean Tech	1.85	1.85
(ii) Investment in Preference Shares - unquoted		
- Subsidiary (at amortized cost)		
10,00,000 (March 31, 2021: 10,00,000)	0.88	0.88
0.01% redeemable cumulative preference shares of Rs 10 each, Rs 10 paid up of DCM Shriram Infrastructure Limited		
- Subsidiary (at cost)		
30,00,000 (March 31, 2021: 30,00,000)	3.00	3.00
0.01% compulsorily convertible preference shares of Rs 10 each of DCM Shriram Credit and Investments Limited		
(iii) Investment in Government securities		
Unquoted (at amortized cost)		
National savings certificates	0.06	0.06
(iv) Equity component of loan to subsidiary at concessional rate (at cost)		
- DCM Shriram Infrastructure Limited	11.45	11.45
Less: Provision for impairment in value of investment	<u>(11.45)</u>	<u>(11.45)</u>
Total	98.59	74.79
Aggregate book value:		
- Unquoted	165.58	156.19
Aggregate provision for impairment of investments	66.99	81.40
Summary:		
- Investments carried at cost	95.80	72.00
- Investments carried at amortized cost	0.94	0.94
- Investments at fair value through other comprehensive income	1.85	1.85
* cancelled pursuant to merger of Bioseeds Limited with Shriram Bioseed Ventures Limited. Also refer note 51		
** to be issued pursuant to merger of Bioseeds Limited with Shriram Bioseed Ventures Limited. Also refer note 51		
NON-CURRENT FINANCIAL ASSETS		
3.2 Loans		
(unsecured considered good, unless otherwise stated)		
Loan to subsidiaries [refer note 31(b)]		
Considered good	7.77	122.12
Considered credit impaired	26.27	26.27
	<u>34.04</u>	<u>148.39</u>
Less: Provision for credit impaired loan	26.27	26.27
	<u>7.77</u>	<u>122.12</u>
Loan to employees		
Considered good	15.67	7.63
Considered credit impaired	0.74	0.74
	<u>16.41</u>	<u>8.37</u>
Less: Provision for credit impaired loan	0.74	0.74
	<u>15.67</u>	<u>7.63</u>
	<u>23.44</u>	<u>129.75</u>

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

	As at March 31, 2022 Rs. Crores	As at March 31, 2021 Rs. Crores
3.3 Other financial assets		
Interest accrued on loans, investments, deposits etc.	0.49	0.53
Fixed deposits with banks (earmarked)	1.78	9.21
Security deposits ⁽ⁱ⁾	<u>30.29</u>	<u>29.30</u>
	32.56	39.04
(i) includes given to related parties [refer note 31 (b)]		
4 Deferred tax assets / (liabilities) (Net)		
[refer note 42(d)]		
Deferred tax assets:		
Minimum alternate tax (MAT) credit entitlement	185.20	393.72
Provision for gratuity and compensated absences	98.25	96.34
Provision for doubtful debts and advances	48.46	45.78
Others	<u>17.45</u>	<u>19.02</u>
	349.36	554.86
Deferred tax liabilities:		
Depreciation	<u>563.86</u>	<u>551.54</u>
	563.86	551.54
Deferred tax assets/(liabilities) (Net)	(214.50)	3.32
5 Other non-current assets		
Capital advances	219.33	68.26
Prepaid expenses	0.65	0.80
Others (includes amount deposited with Government authorities)	<u>5.96</u>	<u>3.78</u>
	225.94	72.84
CURRENT ASSETS		
6 Inventories⁽ⁱ⁾		
Raw materials (includes goods in transit Rs. 5.33 crores; March 31, 2021 - Rs. 9.83 crores)	262.89	242.75
Work-in-progress	195.56	157.29
Finished goods (includes goods in transit Rs. 9.38 crores; March 31, 2021 - Rs. 4.28 crores)	1,436.96	1,100.09
Stock-in-trade (includes goods in transit Rs. Nil; March 31, 2021 - Rs. 1.78 crores)	97.72	85.62
Stores and spares	<u>253.55</u>	<u>176.12</u>
	2,246.68	1,761.87
(i) refer note 41		
7 Financial assets		
7.1 Trade receivables⁽ⁱ⁾		
Secured - considered good	-	2.05
Unsecured - considered good	837.87	448.93
Unsecured - considered credit impaired	<u>73.04</u>	<u>65.61</u>
	910.91	516.59
Less: Provision for credit impaired receivables	<u>73.04</u>	<u>65.61</u>
	16.08	50.56
Unbilled revenue	<u>16.08</u>	<u>50.56</u>
	853.95	501.54
(i) includes dues from related parties [refer note 31 (b)] Also refer note 57 (b)		

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2022

	As at March 31, 2022 Rs. Crores	As at March 31, 2021 Rs. Crores
7.2 Cash and cash equivalents⁽ⁱ⁾		
Balances with banks on		
- current accounts	148.32	32.31
- deposit accounts (less than 3 months original maturity)	-	50.00
Cash on hand	0.38	0.43
Liquid investments - mutual funds	726.20	757.74
	<u>874.90</u>	<u>840.48</u>
(i) comprises cash at bank and at hand, short term deposits and liquid mutual funds that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value		
7.3 Bank balances other than cash and cash equivalents		
Balances with banks on		
- current accounts (earmarked) ⁽ⁱ⁾	9.06	8.47
- deposit accounts (earmarked) ⁽ⁱ⁾	93.21	9.05
- deposit accounts (more than 3 months but less than 12 months)	572.90	446.08
	<u>675.17</u>	<u>463.60</u>
(i) earmarked for unpaid dividend, margin money and deposit with banks for specific purpose		
7.4 Loans		
(Unsecured Considered good unless otherwise stated)		
Loan to employees	3.27	4.04
Loan to subsidiaries [refer note 31(b)]	133.75	18.96
	<u>137.02</u>	<u>23.36</u>
7.5 Other financial assets		
Interest accrued on loans, investment, deposits etc ⁽ⁱ⁾		
Considered good	23.36	13.70
Considered doubtful	15.47	15.47
	<u>38.83</u>	<u>29.17</u>
Less: Provision for doubtful interest	15.47	15.47
	<u>23.36</u>	<u>13.70</u>
Other debts (includes claims from government authorities)		
Considered good	6.02	213.01
Considered doubtful	27.10	27.10
	<u>33.12</u>	<u>240.11</u>
Less: Provision for doubtful debts	27.10	27.10
	<u>6.02</u>	<u>213.01</u>
Security deposits ⁽ⁱ⁾		
Considered good	3.54	4.77
Considered doubtful	1.95	1.85
	<u>5.49</u>	<u>6.62</u>
Less: Provision for doubtful deposits	1.95	1.85
	<u>3.54</u>	<u>4.77</u>
Derivatives designated as hedges:		
- Interest rate swaps	2.18	-
- Others (Foreign currency options)	0.11	5.66
	<u>35.21</u>	<u>237.14</u>
(i) includes from related parties [refer note 31(b)]		

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

	As at March 31, 2022 Rs. Crores	As at March 31, 2021 Rs. Crores
8 Current tax assets		
Advance tax	1,304.59	825.09
Less: Provision for current tax	<u>(1,260.43)</u>	<u>(784.08)</u>
	<u>44.16</u>	<u>41.01</u>
9 Other current assets		
(Unsecured considered good unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received		
Considered good	178.27	109.03
Considered doubtful	<u>14.25</u>	<u>14.10</u>
	<u>192.52</u>	<u>123.13</u>
Less: Provision for doubtful advances	<u>14.25</u>	<u>14.10</u>
	<u>178.27</u>	<u>109.03</u>
Prepaid expenses	15.79	13.41
Balances with customs, excise etc	25.52	17.81
Others	<u>8.19</u>	<u>10.40</u>
	<u>227.77</u>	<u>150.65</u>
10 Assets classified as held for sale		
Land and buildings	33.92	58.00
Plant and machinery	<u>7.52</u>	<u>11.39</u>
	<u>41.44</u>	<u>69.39</u>
Refer note 47 for other information relating to assets classified as held for sale.		
11 Equity share capital		
Authorised		
29,49,50,000 (March 31, 2021 - 29,49,50,000) equity shares of Rs.2 each with voting rights	58.99	58.99
65,01,000 (March 31, 2021 - 65,01,000) Cumulative redeemable preference shares of Rs. 100 each	<u>65.01</u>	<u>65.01</u>
	<u>124.00</u>	<u>124.00</u>
Issued		
15,98,42,296 (March 31, 2021 - 15,98,42,296) Equity shares of Rs 2 each with voting rights	<u>31.97</u>	<u>31.97</u>
Subscribed and fully paid up		
15,59,42,296 (March 31, 2021 - 15,59,42,296) Equity shares of Rs. 2 each with voting rights, fully paid - up	31.19	31.19
Forfeited shares - Amount originally paid up	<u>0.16</u>	<u>0.16</u>
	<u>31.35</u>	<u>31.35</u>

Notes:

(i) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period:

	No. of shares	Value (Rs. Crores)
Subscribed and fully paid up Equity Shares:		
As at April 1, 2020	15,59,42,296	31.19
As at March 31, 2021	15,59,42,296	31.19
As at March 31, 2022	15,59,42,296	31.19

Buy-back of shares

- The Company bought back and extinguished 64,73,841 equity shares of Rs 2 each during financial year 2018-19

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2022

	As at March 31, 2022 Rs. Crores	As at March 31, 2021 Rs. Crores
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(ii) Rights, preferences and restrictions on equity shares:

Voting rights and dividend shall be in the proportion to the capital paid upon equity shares. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to the capital paid upon equity share after distribution of all preferential amount.

	As at March 31, 2022		As at March 31, 2021	
	No. of shares	%	No. of shares	%
(iii) Shares held by the holding company:				
Sumant Investments Private Limited	9,82,82,744	63.03%	9,82,82,744	63.03%
(iv) The shareholders holding more than 5% equity shares are as under:				
Sumant Investments Private Limited	9,82,82,744	63.03%	9,82,82,744	63.03%
Life Insurance Corporation of India	1,05,14,136	6.74%	1,05,14,136	6.74%

(v) Shares held by promoters:

Refer note 54

12 Other equity¹

12.1 General reserve	619.22	616.03
12.2 Surplus in statement of profit and loss	4,877.63	4,039.66
12.3 Capital redemption reserve	10.40	10.40
12.4 Storage fund for molasses account	2.56	1.96
12.5 Share held by trust under Employees Stock Purchase Scheme (ESPS) ²	(5.45)	(5.90)
12.6 Other comprehensive income		
- Cash flow hedging reserve (refer note 45.4)(b)]	(9.62)	(0.68)
	<u>5,494.74</u>	<u>4,661.47</u>

1. Created under relevant Act/statutes. For movement during the year, refer 'Statement of changes in equity'.

2. Share held by trust under ESPS represents cost of 11,79,674 (March 31, 2021 - 12,77,924) equity shares purchased and held by the Employee Benefit trust under ESPS scheme.

NON-CURRENT LIABILITIES

13 Financial liabilities

13.1 Long term borrowings (at amortized cost)

Secured (refer note 41B)

Debentures	174.42	197.55
Term loans		
From banks	508.73	545.81
From others	234.54	257.17
	<u>917.69</u>	<u>1,000.53</u>

Unsecured

Deposits		
Fixed	33.65	11.64
	<u>33.65</u>	<u>11.64</u>
	<u>951.34</u>	<u>1,012.17</u>

13.2 Other financial liabilities

Interest accrued but not due on loans and deposits	0.05	0.28
	<u>0.05</u>	<u>0.28</u>

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2022

	As at March 31, 2022 Rs. Crores	As at March 31, 2021 Rs. Crores
14 Long term provisions		
Provision for employee benefits		
Gratuity	132.78	126.92
Compensated absences	94.83	92.76
Other benefits	11.25	11.48
Provision for contingencies (refer note 37)	<u>12.09</u>	<u>12.09</u>
	<u>250.95</u>	<u>243.25</u>
15 Other non-current liabilities		
Security deposits	0.01	0.01
Others (includes deferred government grant)	<u>4.52</u>	<u>10.12</u>
	<u>4.53</u>	<u>10.13</u>
CURRENT LIABILITIES		
16 Financial liabilities		
16.1 Short-term borrowings - at amortized cost		
Secured (refer note 41 B)		
Current maturities of long-term debt		
From banks	43.20	84.58
From others	67.13	54.58
Loans repayable on demand from banks	-	0.72
Other loans from banks	<u>403.00</u>	<u>199.50</u>
	<u>513.33</u>	<u>339.38</u>
Unsecured		
Current maturities of long-term debt		
From others	3.50	24.65
Loans repayable on demand - other than banks ⁽ⁱ⁾	-	50.00
Other loans from banks	35.00	25.00
Loan from subsidiary company	<u>1.45</u>	<u>1.45</u>
	<u>39.95</u>	<u>101.10</u>
	<u>553.28</u>	<u>440.48</u>
(i) represents commercial papers		
16.2 Trade payables⁽ⁱ⁾		
Total outstanding dues of micro enterprises and small enterprises (refer note 48)	35.83	26.44
Total outstanding dues of creditors other than micro enterprises and small enterprises	<u>873.23</u>	<u>642.04</u>
(i) refer note 57 (a)	<u>909.06</u>	<u>668.48</u>
16.3 Other financial liabilities		
Interest accrued but not due on borrowings	5.06	5.99
Unpaid dividends	9.06	8.54
Unpaid matured deposits and interest accrued thereon	0.05	0.03
Employee dues payable ⁽ⁱ⁾	61.21	40.76
Security deposits	49.04	41.89
Others liabilities (includes capital creditors Rs 54.19 crores; March 31, 2021 - Rs 27.86 crores)	94.83	56.97
Derivatives designated as hedge		
- Foreign exchange forward contracts	8.66	1.85
- Interest rate swaps	-	1.32
	<u>227.91</u>	<u>157.35</u>
(i) includes due to related parties [Refer note 31 (b)]		
17 Short term provisions		
Provision for employee benefits		
Gratuity	25.64	28.51
Compensated absences	27.92	28.62
Other benefits	<u>1.52</u>	<u>1.35</u>
	<u>55.08</u>	<u>58.48</u>
18 Other current liabilities		
Statutory levies (includes statutory dues payable)	188.98	164.56
Advance received from customers	328.63	230.57
Other current liabilities	<u>3.18</u>	<u>3.73</u>
	<u>520.79</u>	<u>398.86</u>

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

	Year ended March 31, 2022 Rs. Crores	Year ended March 31, 2021 Rs. Crores
19 Revenue from operations		
Revenue from sale of products		
Gross revenue ⁽ⁱ⁾	9,860.03	8,463.04
Less: Discounts	<u>236.22</u>	<u>283.67</u>
	<u>9,623.81</u>	<u>8,179.37</u>
Other operating revenue		
Rent	0.25	0.31
Liabilities/provisions no longer required written back	5.26	5.07
Miscellaneous income (includes scrap sales) (refer note 49)	<u>47.23</u>	<u>27.24</u>
	<u>52.74</u>	<u>32.62</u>
Revenue from Operations	<u>9,676.55</u>	<u>8,211.99</u>
(i) Notes:		
(a) Includes Rs 175.53 crores against advance received from customers balance as at April 1, 2021 (2020-21 - Rs 174.19 crores)		
(b) Includes Rs 33.15 crores on account of differential urea subsidy claims notified for earlier periods by 'Fertiliser Industry Coordination Committee (FICC), Government of India, in pursuance of the Retention Price Scheme administered for nitrogenous fertilisers (2020-21 - Rs 19.82 crores)		
(c) The Company does not have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. Accordingly, the Company has not adjusted transaction prices for the time value of money.		
(d) Total revenue from operations (excluding excise duty) is as under:		
	Year ended March 31, 2022 Rs. Crores	Year ended March 31, 2021 Rs. Crores
Total revenue from operations (excluding excise duty on a new product line)	9,454.57	8,211.99
20 Other income		
Interest income	38.78	30.10
Rent [refer note 34(ii)]	0.74	1.56
Miscellaneous income (refer note 49)	15.79	39.84
Other gains/(losses):		
- net gain/(loss) on financial assets mandatorily measured at fair value through profit or loss	10.60	8.13
- net gain on sale of liquid investments	19.53	6.56
- net gain/(loss) on sale of property, plant and equipment (including assets held for sale)	<u>8.45</u>	<u>3.48</u>
	<u>93.89</u>	<u>89.67</u>
21 Change in inventories of finished goods, stock-in-trade and work-in-progress (refer note 6)		
Closing stock	1,730.24	1,343.00
Add: Provision for sales return	<u>7.79</u>	<u>9.17</u>
Adjusted closing stock	1,738.03	1,352.17
Opening stock	1,352.17	1,738.09
Decrease/(increase) in inventories	<u>(385.86)</u>	<u>385.92</u>
22 Employee benefits expense		
Salaries, wages, bonus, gratuity, commission, etc. ⁽ⁱ⁾	695.70	641.89
Expense on Employee stock purchase scheme ⁽ⁱⁱ⁾	5.51	3.07
Contribution to provident and other funds ⁽ⁱ⁾	43.79	40.94
Staff welfare expenses	<u>27.29</u>	<u>30.08</u>
	<u>772.29</u>	<u>715.98</u>

(i) refer note 32

(ii) refer note 40

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

		Year ended March 31, 2022 Rs. Crores	Year ended March 31, 2021 Rs. Crores
23 Finance costs			
Interest expense on financial liabilities measured at amortized cost ¹		78.87	100.58
Other borrowing costs		4.58	4.22
Net loss on foreign currency transactions and translation		18.05	19.59
		<u>101.50</u>	<u>124.39</u>
Less: Amount included in the cost of qualifying assets ²		<u>16.43</u>	<u>2.60</u>
		<u>85.07</u>	<u>121.79</u>
1. includes interest expense on loan from wholly owned subsidiary Rs 0.10 crores (2020-21: Rs. 0.14 crores)			
2. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. The capitalization rate used to determine the amount of borrowing costs eligible for capitalization is 6.58% p.a. (2020-21: 5.86% p.a.)			
24 Depreciation and amortization expense			
Depreciation of property, plant and equipment	2.1	211.04	200.37
Depreciation of Right of use assets (refer note 34)	2.1	18.69	19.77
Depreciation of investment property	2.2	0.03	0.10
Amortization of intangible assets	2.3	4.77	9.62
		<u>234.53</u>	<u>229.86</u>
25 Other expenses			
Consumption of stores and spare parts		331.02	271.15
Rent (refer note 34)		16.25	15.40
Repairs			
Buildings		24.28	19.23
Plant and machinery		76.01	65.84
Donation ¹		3.36	1.65
Insurance		25.45	21.84
Rates and taxes		3.78	3.22
Auditors' remuneration			
Audit fee		1.38	1.20
Tax audit		0.16	0.20
Limited reviews		0.68	0.58
Other certification services		0.43	0.50
Out-of-pocket expenses		-	0.08
Directors' fees		0.75	0.71
Bad debts and advances written off	0.55		32.36
Less: adjusted against provision for doubtful debts and advances	<u>-</u>	0.55	<u>(30.99)</u>
Provision for credit impaired receivables		7.43	5.20
Provision for credit impaired loans and advances, other debts and deposits		0.25	32.63
Freight and transport		256.44	254.76
Commission to selling agents		18.25	22.42
Brokerage, discounts (other than trade discounts), etc.		0.15	0.04
Selling expenses		99.73	85.54
Exchange fluctuation costs/(gains)		(4.62)	1.54
Loss/(gain) on valuation of assets held for sale		(4.06)	(5.05)
Corporate Social Responsibility ²		17.43	20.11
Miscellaneous expenses		165.66	140.14
		<u>1,040.76</u>	<u>960.30</u>
Less:- Cost of own manufactured goods capitalised/consumed		<u>(1.58)</u>	<u>(1.63)</u>
		<u>1,039.18</u>	<u>958.67</u>

1 refer note 38

2 refer note 38.1

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

	Year ended March 31, 2022 Rs. Crores	Year ended March 31, 2021 Rs. Crores
26 Tax expense (refer note 42)		
Current tax	480.62	173.06
Deferred Tax	13.22	38.59
Tax adjustments related to earlier years		
- Current tax	(3.64)	(7.65)
- Deferred tax	0.61	9.29
	490.81	213.29
27 Earnings per share		
Profits after tax and exceptional item (Rs. Crores)	1,048.75	662.48
Weighted average number of equity shares (Nos.)	15,59,42,296	15,59,42,296
Basic and Diluted earnings per share (face value Rs 2 per share)	67.25	42.48

Rs. Crores

	As at March 31, 2022 Rs. Crores	As at March 31, 2021 Rs. Crores
28. (i) Contingent liabilities not provided for*:		
(a) Claims (excluding claims by employees where amount not ascertainable) not acknowledged as debts:		
- Additional premium on land	8.11	8.11
- Interest on cane purchases	64.01	64.01
- Others	5.63	5.63
Total	77.75	77.75

* timing of outflow, if any, cannot be ascertained as of now

(ii) Capital commitments (net of advances)	927.11	265.48
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29 In accordance with its accounting policy and past practice, the Company accrues revenue credits for urea subsidy claims pending notification/ final acceptance by 'Fertiliser Industry Coordination Committee' (FICC), Government of India, in pursuance of the Pricing Scheme administered for nitrogenous fertilisers. The total amount receivable on account of such claims as on March 31, 2022 is Rs 312.86 crores (Rs 8.15 crores on March 31, 2021).

Necessary adjustments to revenue credits so accrued will be made on issuance of notification by FICC, Government of India.

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

30 Segment reporting

A. Operating segments and principal activities:

Based on the guiding principles given in Ind AS- 108 'Operating segments', the Company's operating segments, based on products include: Fertilisers (manufacturing of urea), Chloro-Vinyl (manufacturing of poly-vinyl chloride, carbide and chlor alkali products), Shriram Farm solutions (trading of super phosphate, other fertilisers, seeds and pesticides), Sugar (manufacturing of sugar, ethanol and co-generation of Power), Bioseed (production of hybrid seeds), Others (Window systems, Cement, Rural retail and plaster of paris). Sale of power from the co-generation facilities set up for the operating segments is included in their respective results.

B. Geographical segments:

Since the Company's activities/ operations are primarily within the country and considering the nature of products/ services it deals in, the risks and returns are same and as such there is only one geographical segment.

C. Segment accounting policies:

In addition to the significant accounting policies applicable to the operating segments as set out in note 1.3, the accounting policies in relation to segment accounting are as under:

(i) Segment revenue and expenses:

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

ii) Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables (net of allowances and provision), inventories and property, plant and equipments, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of trade payables. Segment assets and liabilities do not include deferred income taxes. While most of the assets/ liabilities can be directly attributed to individual segment, the carrying amount of certain assets/ liabilities pertaining to two or more segments are allocated to the segments on a reasonable basis.

iii) Inter segment sales:

Inter segment sales between operating segments are accounted for at market price. These transactions are eliminated in consolidation.

D. Revenue from major products:

Revenue from major products is given in note 59

E. Geographical information:

(i) Revenue from external customers: The Company's revenue from external customers by location of operation are as under:

Particulars	Rs. Crores	
	This year	Previous year
- Within India	9,338.09	8,033.19
- Outside India	285.72	146.18
Total	9,623.81	8,179.37

(ii) Non-current assets other than financial instruments: There are no such assets which are located outside India.

F. Information about major customer

There is no single customer who contributed 10% or more of the Company's revenue during the year ended March 31, 2022 and March 31, 2021

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

G. Information about business segments

Rs. Crores

PARTICULARS	Chloro-Vinyl		Sugar		Shriram Farm Solutions		Bioseed		Fertiliser		Others		Elimination		Total	
	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year
1. REVENUE																
External sales (Gross)	3,535.71	1,971.95	2,674.87	3,377.70	947.11	856.85	274.69	340.35	1,324.86	897.43	866.57	735.09			9,623.81	8,179.37
Other Operating Income	17.78	11.03	20.76	6.83	1.75	1.17	3.73	5.94	2.14	3.25	6.58	4.40			52.74	32.62
Inter segment sales	62.97	32.26	-	-	-	-	16.52	22.69	-	-	1.66	0.93	81.15	55.88		
Total revenue	3,616.46	2,015.24	2,695.63	3,384.53	948.86	858.02	294.94	368.98	1,327.00	900.68	874.81	740.42	81.15	55.88	9,676.55	8,211.99
2. RESULTS																
Segment results	1,268.41	518.42	322.71	428.93	134.64	109.91	(101.77)	(7.36)	76.47	59.08	49.94	40.10			1,750.40	1,149.08
Unallocated expenses (net of income)															125.77	151.52
Operating profit	1,268.41	518.42	322.71	428.93	134.64	109.91	(101.77)	(7.36)	76.47	59.08	49.94	40.10			1,624.63	997.56
Finance costs															85.07	121.79
Profit before tax															1,539.56	875.77
Provision for taxation																
- Current and deferred tax															493.84	211.65
- Tax adjustments related to earlier years															(3.03)	1.64
Net profit after tax															1,048.75	662.48
3. OTHER INFORMATION																
A. ASSETS																
Segment assets	2,415.20	1,814.78	3,465.59	3,087.54	184.38	125.05	360.73	411.32	711.02	345.67	331.63	297.81			7,468.55	6,082.17
Unallocated assets															1,829.53	1,686.30
Total assets	2,415.20	1,814.78	3,465.59	3,087.54	184.38	125.05	360.73	411.32	711.02	345.67	331.63	297.81			9,298.08	7,768.47
B. EQUITY AND LIABILITIES																
Equity (Share Capital & Other Equity)															5,526.09	4,692.82
Segment liabilities	489.11	322.46	511.38	466.49	169.28	126.45	122.52	113.89	232.75	116.22	349.60	305.10			1,874.64	1,450.61
Secured and unsecured loans															1,504.62	1,452.67
Unallocated liabilities															392.73	172.37
Total liabilities	489.11	322.46	511.38	466.49	169.28	126.45	122.52	113.89	232.75	116.22	349.60	305.10			9,298.08	7,768.47
C. OTHERS																
Capital expenditure	473.81	114.58	96.40	55.50	1.40	0.61	6.76	3.23	22.91	7.15	36.73	8.54			638.01	189.61
Unallocated capital expenditure															10.32	4.16
Depreciation and amortisation expense	101.25	94.95	77.41	74.23	1.13	0.66	3.90	3.48	10.62	11.48	18.61	17.31			212.92	202.11
Unallocated depreciation and amortisation expense															21.61	27.75
Non cash expenses other than depreciation	(2.56)	(0.94)	-	27.10	2.93	1.87	4.68	7.29	0.01	-	(0.05)	(2.93)			5.01	32.39
Unallocated non cash expenses other than depreciation	-	-	-	-	-	-	-	-	-	-	-	-			(0.84)	1.76

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

31 Related party disclosures

Name of related party and nature of related party relationship

1. Holding company: Sumant Investments Private Limited

2. Subsidiaries:

- (i) DCM Shriram Credit and Investments Limited, Bioseed India Limited, DCM Shriram Infrastructure Limited, DCM Shriram Aqua Foods Limited, Hariyali Rural Ventures Limited, Fenesta India Limited, Shri Ganpati Fertilizers Limited¹, Shriram Bioseed Ventures Limited, Bioseeds Limited², Shriram Bioseed (Thailand) Ltd.³, Bioseed Research Philippines Inc., Bioseeds Holdings PTE. Ltd., Bioseed Vietnam Limited⁴, Shriram Polytech Limited⁵, Bioseed Research USA Inc., DCM Shriram Foundation, Shridhar Shriram Foundation.

1 sold w.e.f. May 19, 2020

2 merged with Shriram Bioseed Ventures Limited - also refer note 51

3 liquidated w.e.f. June 15, 2021

4 sold w.e.f. July 31, 2020

5 w.e.f. October 19, 2021 - also refer note 35 (a)

- (ii) Subsidiaries incorporated under section 8 of Companies Act 2013:

DCM Shriram Foundation, Shridhar Shriram Foundation

3. Joint venture: Shriram Axiall Private Limited (upto October 18, 2021) - refer note 35

4. Key Managerial Persons, their relatives and HUFs:

- (i) Executive Directors, their relatives and HUFs (with whom transactions are there):

Mr. Ajay S. Shriram, Mr. Vikram S. Shriram, Mr. Ajit S. Shriram, Mr. K.K. Kaul, Mr. K.K. Sharma, Mr. Aditya A. Shriram (relative of Mr. Ajay S. Shriram), Mr. Anand A. Shriram (relative of Mr. Ajay S. Shriram), Mr. Pranav V. Shriram (relative of Mr. Vikram S. Shriram), Mr. Varun A. Shriram (relative of Mr. Ajit S. Shriram), Mrs. Anuradha Bishnoi (relative of Mr. Ajay S. Shriram), Mrs. Geeta Kaul (relative of Mr. K.K. Kaul), M/s. Ajay S. Shriram (HUF), M/s. Vikram S. Shriram (HUF), M/s. Ajit S. Shriram (HUF).

- (ii) Independent Directors and their relatives (with whom transactions are there):

Mr. Pradeep Dinodia, Mr. Vimal Bhandari, Mr. Sunil Kant Munjal, Mrs. Ramni Nirula, Justice (Retd.) Vikramjit Sen, Mr. Pravesh Sharma, Mr. Sharad Shrivastva¹ (Nominee of LIC), Ms. Sarita Garg² (Nominee of LIC)

1 upto August 7, 2020

2 w.e.f. October 20, 2020

5. Trust : Sir Shriram Foundation, DCM Shriram Employees' Provident Fund Trust, DCM Shriram Officers' Superannuation Fund Trust

(a) Transactions with related parties:

Rs. Crores

S. No.	Nature of transaction	This year					Total	Previous year					Total
		Holding Company	Subsidiaries	Joint Venture	KMP's/Relatives	Trust		Holding Company	Subsidiaries	Joint Venture	KMP's/Relatives	Trust	
1	Sale of products	-	42.14	31.13	0.47	-	73.74	-	14.89	45.39	0.31	-	60.59
2	Common services expenses recovered	-	0.52	0.53	-	-	1.05	-	0.04	0.96	-	-	1.00
3	Supply of water, power and steam	-	0.11	0.08	-	-	0.19	-	-	0.12	-	-	0.12
4	Purchases of finished goods	-	-	-	-	-	-	-	0.31	0.17	-	-	0.48
5	Rent paid (includes goods and services tax)	-	0.11	-	4.28	-	4.39	-	0.11	-	4.82	-	4.93
6	Remuneration (including commission) ⁰	-	-	-	41.71	-	41.71	-	-	-	34.10	-	34.10
7	Sitting fees and commission	-	-	-	4.07	-	4.07	-	-	-	3.32	-	3.32
8	Security deposits given	-	-	-	-	-	-	-	0.16	-	-	-	0.16
9	Security deposits received back	-	1.22	-	-	-	1.22	-	-	-	-	-	-
10	Loans and advances given (net)	-	-	-	-	-	-	-	0.58	-	-	-	0.58
11	Loans and advances received back (net)	-	0.23	-	-	-	0.23	-	4.36	-	-	-	4.36
12	Interest income	-	2.21	-	-	-	2.21	-	2.12	-	-	-	2.12
13	Investment in equity and preference shares	-	23.80	-	-	-	23.80	-	-	-	-	-	-
14	Interest expenses	-	0.10	-	-	-	0.10	-	0.14	-	-	-	0.14
15	Dividend paid	124.13	-	-	4.06	-	128.19	50.00	-	-	2.12	-	52.12
16	Contribution to Provident fund trust	-	-	-	-	31.67	31.67	-	-	-	-	30.20	30.20
16	Contribution to Superannuation fund trust	-	-	-	-	8.24	8.24	-	-	-	-	8.25	8.25
17	Contribution for CSR activities	-	7.47	-	-	-	7.47	-	1.10	-	-	-	1.10
18	Guarantee given by subsidiary company in respect of loan taken by the Company	-	-	-	-	-	-	-	200.00	-	-	-	200.00

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

(b) Balance outstanding as at the year end (gross)
(unsecured unless otherwise stated)

Rs. Crores

S. No.	Nature of outstanding	This year					Total	Previous year					Total
		Holding Company	Subsidiaries	Joint Venture	KMP's/Relatives	Trust		Holding Company	Subsidiaries	Joint Venture	KMP's/Relatives	Trust	
1	Security deposits receivable	-	2.04	-	8.40	-	10.44	-	3.26	-	8.40	-	11.66
2	Loans and advances receivable	-	167.68	-	-	-	167.68	-	167.22	-	-	-	167.22
3	Loan payable	-	1.45	-	-	-	1.45	-	1.45	-	-	-	1.45
4	Interest receivable	-	16.42	-	-	-	16.42	-	15.43	-	-	-	15.43
5	Trade receivable	-	17.67	-	-	-	17.67	-	1.03	10.89	-	-	11.92
6	Interest payable	-	0.41	-	-	-	0.41	-	0.43	-	-	-	0.43
7	Commission payable	-	-	-	23.51	-	23.51	-	-	-	19.69	-	19.69
8	Outstanding guarantees given by subsidiary companies in respect of loan taken by the Company	-	434.08	-	-	-	434.08	-	449.45	-	-	-	449.45
9	Provision for doubtful loan/advances and interest accrued against outstanding balances	-	41.74	-	-	-	41.74	-	41.74	-	-	-	41.74

The transactions with related parties are as per the terms of arrangement between the parties in the normal course of business and to be settled through receipt/payment or sale/purchase of goods or services.

- (i) Provision for incremental gratuity liability and leave encashment for the current year in respect of directors has not been considered above, since the provision is based on a actuarial basis for the Company as a whole.

(c) Maximum amount of loans and advances outstanding during the year:

Rs. Crores

S. No.	Name of the Company	Amount outstanding at the year end (gross)		Maximum amount outstanding during the year	
		This year	Previous year	This year	Previous year
1	DCM Shriram Credit and Investments Limited *	7.07	7.09	8.09	13.13
2	DCM Shriram Infrastructure Limited *	26.39	26.39	26.39	26.39
3	Shriram Bioseed Ventures Limited *	114.80	114.80	114.80	115.34
4	Shri Ganpati Fertilizers Limited *	-	-	-	37.32
5	Hariyali Rural Ventures Limited	0.01	0.01	0.01	0.01
6	DCM Shriram Foundation	-	0.01	0.01	0.01
7	Bioseed Holding PTE Limited *	19.41	18.72	19.41	19.36
8	Bioseed Research Philippines Inc.	-	0.20	-	0.23
	Total	167.68	167.22		

* includes loans given during the year for working capital requirements

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

32. Employee Benefits

The Company has classified the various benefits provided to employees as under:-

(i) Defined contribution plans:

The Company has recognized the following amounts in the statement of profit and loss:

	Rs. Crores	
	This year	Previous year
- Employers' contribution to provident fund*	31.67	30.20
- Employers' contribution to superannuation fund	8.24	8.25
- Employers' contribution to employees' state insurance corporation	0.31	0.34
Total	40.23	38.79

* There is no shortfall in the interest cost for which Company is liable as at the date of financial statements.

(ii) Disclosure in respect of Defined benefit obligation (Gratuity) is as under:

The principal assumptions used for the purpose of actuarial valuation were as under:

Particulars	Rs. Crores	
	As at March 31, 2022	As at March 31, 2021
Discount rate per annum	7.28%	6.90%
Expected rate of salary increase	8.00%	8.00%
Mortality rate	IALM (2012-14) ultimate	IALM (2012-14) ultimate
Withdrawal rates:		
- Upto 30 years	3%	3%
- 31 to 44 years	2%	2%
- above 44 years	1%	1%
Retirement age	58/60 yrs	58/60 yrs

(a) Amount recognised in statement of profit and loss in respect of the defined benefit plan are as follows:

	Rs. Crores	
	This year	Previous year
Components of defined benefit costs recognised in statement of profit and loss*		
Current service cost	12.68	12.90
Net interest expense	9.49	9.43
Components of defined benefit costs recognised in profit and loss	22.17	22.33
Components of defined benefit costs recognised in other comprehensive income		
Actuarial (gain)/loss from changes in financial assumptions	(3.65)	(2.04)
Actuarial (gain)/loss arising from experience adjustments	2.80	(4.88)
Return on plan assets (higher)/lower than discount rate	0.04	0.02
Total actuarial (gain)/loss recognised in other comprehensive income	(0.81)	(6.90)
Total amount recognised in statement of profit and loss	21.36	15.43

* included in the salaries, wages, bonus, gratuity etc in note 22 "Employee Benefits expense".

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

(b) The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit obligation/plans is as follows:

	Rs. Crores	
	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligation	166.68	162.80
Fair value of plan assets	(8.26)	(7.37)
Net liability arising from defined benefit obligation	158.42	155.43
- Non-current liability	132.78	126.92
- Current liability	25.64	28.51

(c) Movements in the fair value of plan assets are as follows:

	Rs. Crores	
	This year	Previous year
Opening fair value of plan assets	7.37	6.60
Expected return on plan assets	0.51	0.45
Employer contribution	0.92	0.89
Remeasurement gains/(losses):		
- Return on plan assets (higher)/lower than discount rate	(0.04)	(0.02)
Benefits paid	(0.50)	(0.55)
Closing fair value of plan assets	8.26	7.37

(d) Movements in the present value of defined benefit obligations are as follows:

	Rs. Crores	
	This year	Previous year
Opening defined benefit obligation	162.80	162.29
Current service cost	12.68	12.90
Interest cost	10.00	9.88
Remeasurement (gains)/losses:		
- Actuarial (gain)/loss from changes in financial assumptions	(3.65)	(2.04)
- Actuarial (gain)/loss arising from experience adjustments	2.80	(4.88)
Benefits paid by employer	(17.44)	(14.80)
Benefits paid from plan assets	(0.51)	(0.55)
Closing defined benefit obligations	166.68	162.80

(e) Sensitivity analysis

The significant actuarial assumption for the determination of defined benefit obligations are discount rate and expected salary increase.

	Rs. Crores	
	As at March 31, 2022	As at March 31, 2021
The value of gross benefit obligation as mentioned above, on account of sensitivity in significant assumptions, would be as under :		
Discount rate		
(i) Discount rate -100 basis point	179.27	175.55
(ii) Discount rate +100 basis point	155.37	151.83
Salary increase rate		
(i) rate -100 basis point	156.44	152.88
(ii) rate +100 basis point	177.60	173.90

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

(f) Major categories of plan assets

The plan assets at one of the unit are maintained with LIC of India Gratuity Scheme. The details of investment maintained by LIC are not available and have therefore not been disclosed.

(g) The Company expects to contribute Rs. 1.20 crores to the LIC fund during the year 2022-23 (previous year - Rs. 1.28 Crores).

(h) The average expected future working life of members of the defined benefit obligation as at March 31, 2022 is 15.63 years (as at March 31, 2021 15.73 years)

(i) The maturity profile of defined benefit obligation is as follows:

Particulars	Rs. Crores	
	As at March 31, 2022	As at March 31, 2021
within 1 year	33.89	35.88
between 2-5 years	56.13	50.12
between 6-10 years	62.32	61.62

33. (a) Amount recognised in statement of profit and loss for investment properties

	Rs. Crores	
	This year	Previous year
Rental income	0.13	0.79
Income from investment properties before depreciation	0.13	0.79
Depreciation	0.03	0.10
Income from investment properties after depreciation	0.10	0.69

(b) Fair value

The fair value of the Company's investment properties as at March 31, 2022 and March 31, 2021 have been arrived at on the basis of a valuation carried out by government approved independent valuers. The inputs used in fair valuation are circle rate of the property, prevailing market price of the similar kind of property in that area and other relevant factors.

Information about the fair value of the Company's investment properties and fair value hierarchy are as follows:

	Rs. Crores	
	As at March 31, 2022	As at March 31, 2021
Fair value of the investment properties (Rs. Crores)	8.34	8.20
Fair valuation hierarchy	Level 3	Level 3

34 Disclosure on adoption of Ind AS 116 'Leases' :

(i) Assets taken on lease

(a) Amounts recognised in the statement of profit or loss

	Rs. Crores	
	This year	Previous year
Depreciation charge of right-of-use assets		
Buildings	18.43	19.43
Leasehold land	0.26	0.34
	18.69	19.77
Interest expense (included in finance cost)	5.38	7.89
Expense relating to short-term leases (included in Rent)	1.55	1.01
Total cash outflows for leases	22.32	21.43
Amount of lease commitments for short-term leases	1.05	0.80

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

(b) Carrying amount of right-of-use assets at the end of the reporting period by class of underlying asset:

Rs. Crores

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Buildings	60.75	63.49
Leasehold land	20.39	14.20
	81.14	77.69

(c) The Company's leasing activities:

The Company has entered into lease agreements for lease of land, offices, showrooms, godowns etc., generally for a period of 6 months to 11 years with renewal option and which can be terminated after lock-in-period by serving notice period as per the terms of the agreements.

(d) In applying IndAS 116, the Company has used the following practical expedients:

- elected not to assess whether a rent concession that meets the conditions in paragraph 46B is a lease modification.
- Rs 0.34 Crores recognised as 'Other income' in statement of profit and loss for financial year ended March 31, 2022 to reflect reduction in lease payments that arise from rent concessions to which the Company has applied the practical expedient. (2020-21 - Rs 0.50 Crores)

(ii) Assets given on lease:

(i) The Company has entered into operating lease arrangements for buildings (including certain other assets). The details of leased assets are as under:

Rs. Crores

	Gross Block as at		Accumulated depreciation as at		Depreciation	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	This year	Previous year
Land and building	13.31	13.31	1.53	1.32	0.21	0.31
Plant and equipment	0.15	0.15	0.11	0.10	0.01	0.03
Furniture and fixtures	0.16	0.16	0.12	0.12	-	-
Office equipments	0.01	0.01	-	-	-	-
	13.63	13.63	1.76	1.54	0.22	0.34

(ii) Information w.r.t. non-cancellable leases:

Rs. Crores

	This year	Previous year
Future minimum lease rent receivables	9.18	9.65
- Not later than one year	0.47	0.47
- Later than one year and not Later than two years	0.51	0.47
- Later than two year and not Later than three years	0.52	0.51
- Later than three year and not Later than four years	0.52	0.52
- Later than four year and not Later than five years	0.52	0.52
- Later than five years	6.64	7.16

During the year Company has earned lease income of Rs 0.74 crores (2020-21 - Rs 1.56 crores)

35. Information with respect to a joint venture is as under (refer note 3.1):

(a) In October 2021, the Company acquired 1,732,500 equity shares (entire 50% stake of JV Partner) of Shriram Axiall Private Limited (now Shriram Polytech Limited) from the JV Partner Axiall LLC USA, thereby making it a 100% subsidiary of the Company.

(b) Name of Joint Venture Shriram Axiall Private Limited (upto 18th October 2021. Refer note 35(a) above)
Country of incorporation India

Rs. Crores

Particulars	This year (upto 18th October 2021)	Previous year
Share of profit before tax	1.64	2.46
Share of profit after tax	1.22	1.73
Share of other comprehensive income/(loss)	-	(0.07)
Share of total comprehensive income/(loss)	1.22	1.66
Ownership Interest	50%	50%

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

36. The details of disputed Excise Duty, Service Tax, Income-Tax, Custom Duty and Sales-tax dues as on March 31, 2022 are as follows:

Rs. Crores

Name of the statute	Nature of the dues	Forum where pending	Amount*	Amount paid under protest	Period to which the amount relates
Central Excise Act, 1944	Excise duty	Customs, Excise and Service Tax Appellate Tribunal	3.51	-	2002-03, 2003-04, 2007-08, 2008-09, 2009-10, 2015-16, 2016-17, 2017-18
		Appellate Authority upto Commissioner's level	0.56	0.01	2009-2010, 2010-11, 2014-15, 2015-16
Finance Act, 1994	Service tax	Appellate Authority upto Commissioner's level	0.24	-	2005-06, 2006-07, 2007-08, 2015-16, 2016-17, 2017-18
Customs Act, 1962	Customs Duty	Customs, Excise and Service Tax Appellate Tribunal	9.84	0.62	2012-13, 2018-19
		Appellate Authority upto Commissioner's level	0.03	-	2012-13, 2014-15
Sales Tax Laws	Sales tax	Appellate Authority upto Commissioner's level	1.28	0.52	2007-08, 2015-16, 2016-17, 2017-18
		Rajasthan State Board	0.28	0.28	2011-12
		Assistant Commissioner - Commercial tax department	0.12	0.05	2011-12

*amount as per demand orders including interest and penalty wherever quantified in the Order.

37. Provision for contingencies in note 14 represents provision for various contingencies resulting from issues relating to reconstruction arrangement of the companies and other uncertainties requiring management judgement.

Rs. Crores

Particulars	As at March 31, 2022	As at March 31, 2021
As at the beginning of the year	12.09	12.09
As at the end of the year	12.09	12.09

38 Donation includes Rs. 3 crores (2020-21 - Rs.Nil) towards political contribution.

38.1 Expenditure on corporate social responsibility activities under section 135 of the Companies Act 2013 as under:

Rs. Crores

Particulars	This year	Previous year
Amount required to be spent	19.94	20.08
Actual expenditure	17.43	20.11
Unspent amount related to ongoing projects*	2.51	-

*Unspent amount relates to ongoing projects for which the activities are planned in subsequent years. As per section 135(6) of the Companies Act, the said unspent amount relating to ongoing projects have been deposited in "Unspent CSR Bank account"

Details of CSR projects/activity are as under:

Rs. Crores

CSR project or activity	This year	Previous year
Promoting health care including Preventive healthcare and Sanitation	6.28	2.80
Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare	2.02	1.45
Eradicating hunger, poverty and malnutrition, drinking water and rural development projects	2.60	1.22
Promoting education, livelihood and Empowering Women	2.04	2.09
Disaster management, including relief, rehabilitation and reconstruction activities	3.50	11.65
Overheads	0.99	0.90
Total	17.43	20.11

39. Research and development expenses included under relevant heads in the statement of profit and loss Rs. 54.22 crores (2020-21 - Rs. 45.32 crores).

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

40 Employee share based payments (refer note 12)

The Company has an Employees Stock Purchase Scheme (DCM Shriram ESPS) which is administered through DCM Shriram Employees Benefits Trust based on acquisition of shares from the market to provide equity based incentives to employees under the Scheme. The shares offered, lock-in-period and grant price may be different for different eligible participants and determined at the time of every grant of shares. The expenses related to the grant of shares under the Scheme is accounted for on the basis of the fair value (which equals to market price of the Company's share on date of grant less exercise price) of share on the date of grant and is amortized on a straight line basis over the lock-in period, if any.

The number and weighted average fair value of equity shares granted during the year are as under:

Particulars	Rs. Crores	
	This year	Previous year
No. of equity shares granted during the year	1,07,500	2,87,500
Weighted average fair value on the grant date (Rs per equity share)	938.82	364.67

41. Assets pledged as security

A. The carrying amount of assets pledged as security for borrowings are as under:

Particulars	Rs. Crores	
	As at March 31, 2022	As at March 31, 2021
Financial assets	2,529.98	1,998.04
Inventories	2,246.68	1,761.87
Property, plant and equipment and intangible assets (including capital work-in-progress)	3,602.36	3,201.21
Total	8,379.02	6,961.12

B. Nature of security and terms of repayment for secured borrowings

S. No.	Nature of Security	Terms of Repayment
Short term working capital borrowings from banks:		
1.	Loans from banks on cash credit account Rs. Nil (March 31, 2021 - Rs. 0.72 Crores) are secured by first pari passu charge on whole of the current assets, both present and future, of the company (except Shriram Bioseed Genetics, Hyderabad & Bioseed Research India, Hyderabad). These loans are further secured by a third charge by way of mortgage/hypothecation of all the immovable/movable properties (other than current assets) of the Company's undertakings at Kota in Rajasthan and Ajbapur, Rupapur, Loni & Hariawan in Uttar Pradesh.	- Repayable on demand
2.	Short Term Loans of Rs. 325 Crores (March 31, 2021 - Rs. 100 Crores) are secured by first pari passu charge on whole of the current assets, both present and future, of the company (except Shriram Bioseed Genetics, Hyderabad & Bioseed Research India, Hyderabad). These loans are further secured by a third charge by way of mortgage/hypothecation of all the immovable/movable properties (other than current assets) of the Company's undertakings at Kota in Rajasthan and Ajbapur, Rupapur, Loni & Hariawan in Uttar Pradesh.	- Repayable on demand
3.	Short Term Loan of Rs. 78 Crores (March 31, 2021 - Rs. 99.50 Crores) is secured by first pari passu charge by way of hypothecation on book debts and stocks, both present and future of the Company's undertakings at Shriram Bioseed Genetics and Bioseed Research India, Hyderabad.	- Repayable as per terms of agreement upto May 05, 2022
Non Convertible Debentures (NCD):		
1.	NCD of Rs. 197.95 Crores (March 31, 2021- Rs. 197.55 Crores) is secured by way of first pari passu mortgage on immovable and movable Fixed Assets, both present and future and a second charge ranking pari passu on the current assets, both present and future, pertaining to the Company's Bharuch unit, Gujarat (Rs. 23.53 Crores due within 1 year; March 31, 2021 - Rs Nil)	- Repayable in 17 equal semi annual installments commencing from September 2022
Long term loans from banks:		
1.	Term loan of Rs. 159.35 Crores (March 31, 2021 - Rs. 214.84 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Ajbapur, Uttar Pradesh (Rs. 1.53 Crores due within 1 year; March 31, 2021 - Rs 4.23 Crores)	- Rs. 159.35 Crores repayable in 28 quarterly installments

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

S. No.	Nature of Security	Terms of Repayment
Long term loans from banks:		
2.	Term loans of Rs. Nil (March 31, 2021 - Rs. 126.26 Crores) are secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Kota, Rajasthan (Rs. Nil due within 1 year; March 31, 2021 - Rs 38.68 Crores)	- Not applicable
3.	Term loans of Rs. 145.32 Crores (March 31, 2021 - 146.62 Crores) are secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Hariawan, Uttar Pradesh (Rs. 1.32 Crores due within 1 year; March 31, 2021 - Rs 1.32 Crores)	- Rs. 90.19 Crores repayable in 24 quarterly installments - Rs. 15 Crores repayable in 2 annual installment commencing from December, 2023 - Rs. 40.13 Crores repayable in 28 quarterly installments
4.	Term loan of Rs. 84.73 Crores (March 31, 2021 - Rs. 121.67 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Ajabpur and Loni, Uttar Pradesh. (Rs. 40.35 Crores due within 1 year; March 31, 2021 - Rs 40.35 Crores)	- Repayable in 27 monthly installments.
5.	Term Loan of Rs 21 Crores (March 31, 2021 - Rs 21 Crores) is secured by way of First pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Loni, Uttar Pradesh. (Rs.Nil due within 1 year; March 31, 2021 - Rs Nil)	- Repayable in 3 equal annual installments commencing from June 2023.
6.	Term loan of Rs. 141.53 Crores (March 31, 2021 - Rs. Nil Crores) is secured by way of first pari passu mortgage/charge to be created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Kota, Rajasthan (Rs. Nil due within 1 year; March 31, 2021 - Rs Nil Crores)	- Repayable in 12 equal annual installments commencing from June 2023.
Long term loans from others:		
1.	Term loan of Rs. Nil (March 31, 2021 - Rs. 102.03 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed Assets, both present and future and a second charge ranking pari passu on the current assets, both present and future, pertaining to the Company's Bharuch unit, Gujarat (Rs. Nil due within 1 year; March 31, 2021 - Rs 17.20 Crores)	- Not applicable
2.	Term Loan of Rs 133.92 Crores (March 31, 2021 - Rs 144.03 Crores) is secured by way of First pari passu mortgage/charge created on immovable and movable Fixed Assets, both present and future and a second charge ranking pari passu on the current assets, both present and future, pertaining to the Company's unit at Hariawan, UP. (Rs 15.96 crores due within 1 year; March 31, 2021 - Rs 15.39 Crores)	- Repayable in 17 equal semi annual installments
3.	Term loan of Rs. 98.35 Crores (March 31, 2021 - Rs. Nil) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed Assets, both present and future and a second charge ranking pari passu on the current assets, both present and future, pertaining to the Company's Bharuch unit, Gujarat (Rs. 5.79 Crores due within 1 year; March 31, 2021 - Rs Nil)	- Repayable in 17 equal semi annual installments
4.	Term Loan of Rs. 24.43 Crores (March 31, 2021 - Rs. 30.86 Crores) is secured by way of a first pari passu charge on all immovable and movable properties both present and future, pertaining to the Company's Ajbapur Sugar Complex, Uttar Pradesh (Rs 7.40 Crores due within 1 year; March 31, 2021 - Rs 7.40 Crores)	- Repayable in 10 equal semi annual installments commencing after 3 years from respective drawdown
5.	Term loan of Rs. 0.92 Crores (March 31, 2021 - Rs. 1.25 Crores) from Department of Biotechnology, Government of India is secured against hypothecation of plant & machinery, machinery spares, tools and accessories acquired from the loan proceeds to Company's Bioseed Research India division. (Rs. 0.20 Crores due within 1 year; March 31, 2021 - Rs 0.34 Crores)	- Rs. 0.92 Crore repayable in 10 equal semi annual installments
6.	Term Loan of Rs. 20.52 Crores (March 31, 2021 - Rs. 33.58 Crores) is secured by way of a first pari passu charge on all immovable and movable properties both present and future, pertaining to the Company's Hariawan Sugar Complex, Uttar Pradesh (Rs. 14.25 Crores due within 1 year; March 31, 2021 - Rs 14.25 Crores)	- Repayable in 3 equal semi annual installments

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

C. Statements filed with Banks or Financial Institutions

Quarterly returns and statements filed by the Company with banks or financial institutions are in agreement with the books of accounts.

D. Details of charges which are yet to be registered with Registrar of Companies (ROC)

S.No.	Brief description of the charges or satisfaction	Location of the Registrar	Period by which such charge had to be satisfied	Reason for delay in satisfaction
1	Charge Created with serial no. B95467767, charge ID 10032179 on 22-12-2006 and modified subsequently on 16-12-2013 in favor of The President of India, Ministry of Food And Civil Supply through IFCI Limited, IFCI Tower, 61 Nehru Place, New Delhi -110019	New Delhi		The loan has been repaid fully on the due date and NOC is pending from the lender in this regard. We are following up for the NOC from the lender and the charge will be satisfied at the earliest.
2	Charge Created with serial no. Z00931792, charge ID 80056154 dated 22-08-1979 in favor of The Rajasthan State Electricity Board, Main Market, Jaipur, Rajasthan- 302005	New Delhi		The said charge was created in FY 1980 (by erstwhile DCM Ltd). This got transferred to the Company in FY 1990 pursuant to reconstruction arrangement of erstwhile DCM Ltd. There is no outstanding in books of accounts as on date against this charge. The Company is in the process of identifying the authority from whom the NOC can be obtained in order to file satisfaction of charge with ROC.

42. Income tax expense

	Rs. Crores	
	This year	Previous year
(a) Income tax expense		
Current tax		
Current tax on profits for the year	480.62	173.06
Adjustments for current tax of earlier years*	(3.64)	(7.65)
Total current tax expense	476.98	165.41
Deferred tax		
Deferred tax charge/(credit)	13.22	38.59
Adjustments for deferred tax of earlier years*	0.61	9.29
Total deferred tax expense/(benefit)	13.83	47.88
Total tax expense	490.81	213.29

	This year	Previous year
(b) Reconciliation of tax expense and the accounting profit		
Profit before tax	1,539.56	875.77
Income tax expense calculated at 34.944%	537.98	306.03
Tax adjustment of earlier years	(3.03)	1.64
(i) Tax effect of:		
- Corporate social responsibility expenses not allowed as deduction	4.78	3.25
- Deduction under section 80-IA of the Income tax act 1961	(41.49)	(103.05)
- deductible temporary differences on which no deferred tax is recognised	-	0.70
(ii) Others	(7.43)	4.72
Income tax expense	490.81	213.29

(c) Tax effect on unrecognised temporary differences relating to:

	This year	Previous year
(i) Provision for impairment in value of investments/loans and advances in subsidiaries	25.27	32.30
Total	25.27	32.30

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

(d) Deferred tax movements

Deferred tax assets/(liabilities) in relation to:

Rs. Crores

	Provision for gratuity and compensated absences	Provision for doubtful debts and advances	Depreciation	Others	MAT credit entitlement	Total
As at April 1, 2020	95.06	33.22	(502.28)	35.16	398.97	60.13
(Charged)/credited to:						
Profit or loss	4.08	12.56	(48.74)	(6.49)	(13.52)	(52.11)
Other comprehensive income	(2.41)	-	-	(1.27)	-	(3.68)
Adjustment related to earlier years *	(0.39)	-	(0.52)	(8.38)	8.27	(1.02)
As at March 31, 2021	96.34	45.78	(551.54)	19.02	393.72	3.32
(Charged)/credited to:						
Profit or loss	2.19	2.68	(12.43)	(5.66)	(210.94)	(224.16)
Other comprehensive income	(0.28)	-	-	4.81	-	4.53
Adjustment related to earlier years *	-	-	0.11	(0.72)	2.42	1.81
As at March 31, 2022	98.25	48.46	(563.86)	17.45	185.20	(214.50)

* Tax charge of earlier years finalised on filing of returns/completion of assessments with corresponding impact on MAT

43 Financial instruments by category

The criteria for recognition of financial instruments is explained in significant accounting policies note 1.3 (k)

Rs. Crores

	As at March 31, 2022			As at March 31, 2021		
	Amortised cost*	FVTOCI	FVTPL	Amortised cost*	FVTOCI	FVTPL
Financial assets						
Investments						
- Equity instruments	-	1.85	-	-	1.85	-
- Preference shares	0.88	-	-	0.88	-	-
- Government securities	0.06	-	-	0.06	-	-
Trade receivables	853.95	-	-	501.54	-	-
Loans	160.46	-	-	153.11	-	-
Cash and cash equivalents and bank balances	823.87	-	726.20	546.34	-	757.74
Derivative financial assets	-	-	2.29	-	-	5.66
Others	65.48	-	-	270.52	-	-
Total financial assets	1,904.70	1.85	728.49	1,472.45	1.85	763.40
Financial liabilities						
Borrowings	1,504.62	-	-	1,452.65	-	-
Lease liability	66.63	-	-	67.12	-	-
Trade payables	909.06	-	-	668.48	-	-
Other financial liabilities	219.30	-	-	154.46	-	-
Derivative financial liabilities	-	-	8.66	-	1.32	1.85
Total financial liabilities	2,699.61	-	8.66	2,342.71	1.32	1.85

* The fair value of non-current financial assets and financial liabilities carried at amortized cost is substantially same as their carrying amount.

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

44 Capital management

The Company endeavours to optimize debt and equity balance and provide adequate strength to the balance sheet. The Company monitors capital on the basis of debt equity ratio.

45 Financial risk management

The Company's activities expose it to various financial risks : Credit risk, Liquidity risk and Market risk.

45.1 Credit risk management

Credit risk arises from credit exposure to customers (including receivables and deposit), loans and other financial assets. The Company perform credit evaluation and defines credit limits for each customer/counter party. The Company also continuously reviews and monitors the same.

The provision for doubtful debts or provision for impairment of investments etc is made on case to case basis, based on the information related to financial position, past history/ageing and other relevant available information about the counterparty.

The Company also makes general provision for lifetime expected credit loss based on its previous experience of provision/write off in previous years.

The movement in the provision for doubtful debts and provision diminution in value of investments is as under:

Particulars	Rs. Crores		
	Trade receivables	Loans	Investments
As at April 1, 2020	60.55	33.28	81.40
Provision made during the year 2020-21	5.20	-	-
(Written back) during the year 2020-21	(0.14)	(7.01)	-
Provision as at March 31, 2021	65.61	26.27	81.40
Provision made during the year 2021-22	7.43	-	-
Adjustment pursuant to merger *	-	-	(14.41)
Provision as at March 31, 2022	73.04	26.27	66.99

* refer note 51

45.2 Liquidity risk management

- (i) The Company manages liquidity by ensuring control on its working capital which involves adjusting production levels and purchases to market demand and daily sales of production and low receivables. It also ensures adequate credit facilities sanctioned from bank to finance the peak estimated funds requirements. The working capital credit facilities are continuing facilities which are reviewed and renewed every year.

The Company also ensures that the long term funds requirements are met through adequate availability of long term capital (Debt & Equity)

	Rs. Crores	
	As at March 31, 2022	As at March 31, 2021
Total Committed working capital limits from Banks	829.00	1,150.00
Utilized working capital limit	403.00	200.22
Unutilized working capital limit	426.00	949.78

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amount disclosed in the table are the contractual undiscounted cash flow.

Contractual maturities of financial liabilities

Rs. Crores

	Upto 1 year	Between 1 year to 5 year	Over 5 years	Total
As at March 31, 2022				
Non-derivatives				
Borrowing *	150.28	550.49	410.25	1,111.02
Trade Payables	909.06	-	-	909.06
Lease liabilities	11.93	44.04	10.66	66.63
Other financial liabilities	219.25	0.05	-	219.30
Total non-derivative liabilities	1,290.52	594.58	420.91	2,306.01
Derivatives (net settled)				
Interest rate swap	-	-	-	-
Foreign exchange forward contracts	8.66	-	-	8.66
Total derivative liabilities	8.66	-	-	8.66
As at March 31, 2021				
Non-derivatives				
Borrowing *	240.26	797.02	232.34	1,269.62
Trade Payables	668.48	-	-	668.48
Lease liabilities	16.52	45.18	5.42	67.12
Other financial liabilities	154.18	0.28	-	154.46
Total non-derivative liabilities	1,079.44	842.48	237.76	2,159.68
Derivatives (net settled)				
Interest rate swap	1.32	-	-	1.32
Foreign exchange forward contracts	1.85	-	-	1.85
Total derivative liabilities	3.17	-	-	3.17

* Excludes utilized working capital limited disclosed in note 45.2 (i)

(iii) Reconciliation for financial liabilities arising from financing activities as per Para 44A of IndAS 7.

Rs. Crores

Particulars	Long term borrowings	Short term borrowings	Interest accrued on borrowings	Lease liability
Opening balance as on April 1, 2020	1,078.51	1,069.82	18.45	127.17
Add: Additions during the year	201.54	-	58.03	2.26
Less: Repayments during the year	(94.69)	(793.15)*	(70.21)	(13.54)
Add/(Less): Foreign exchange fluctuation (gain)/loss	(15.38)	-	-	-
Less: Derecognition during the year	-	-	-	(48.77)
Add/(Less): Amortisation impact on borrowings	6.00	-	-	-
Closing balance as on March 31, 2021	1,175.98	276.67	6.27	67.12
Add: Additions during the year	239.18	162.78*	56.30	19.49
Less: Repayments during the year	(365.02)	-	(57.46)	(16.94)
Add/(Less): Foreign exchange fluctuation (gain)/loss	7.25	-	-	-
Less: Derecognition during the year	-	-	-	(3.04)
Add/(Less): Amortisation impact on borrowings	7.78	-	-	-
Closing balance as on March 31, 2022	1,065.17	439.45	5.11	66.63

* net movement during the year

45.3 Market Risk

a) The Company's operations are mainly in India and therefore rupee denominated, except the following:

- Foreign currency denominated loans (Long term & Short term)
- Imports of some raw material, stores & spares and capital equipments
- Export of finished goods

The Company follows a policy of keeping these liabilities/assets fully hedged against foreign currencies. Regarding interest rate fluctuation, it follows a policy of partial hedge.

Some of the rupee liabilities have interest linked to the bank's MCLR or Financial market benchmark rates and are subject to variation in such rates.

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

b) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate change at the end of the reporting period are as follows:

Rs. Crores

	As at March 31, 2022	As at March 31, 2021
Variable rate borrowings		
Long Term	536.41	376.92
Short Term	193.97	130.78
Total Variable rate borrowings	730.38	507.70
Fixed rate borrowings		
Long Term	414.93	635.25
Short Term	359.31	309.70
Total fixed Rate borrowings	774.24	944.95
Total Borrowings	1,504.62	1,452.65

c) Sensitivity

Variable interest rate loans are exposed to Interest rate risk, the impact on Profit before tax may be as follows:

Rs. Crores

	Impact on profit before tax	
	This year	Previous year
Interest rate- increase by 100 basis points (100 bps)*	(7.30)	(5.07)
Interest rate- decrease by 100 basis points (100 bps)*	7.30	5.07

* Holding all other variable constant

45.4 Impact of hedging activities

(a) Disclosure of effects of hedge accounting on financial position:

Rs. Crores

March 31, 2022									
Type of hedge and risks	Nominal value of hedged instruments#		Carrying amount of hedging instrument##		Maturity date	Hedge ratio	Weighted average strike price/rate	Gain(loss) in fair value of hedging instrument	Gain(loss) in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
Cash Flow hedge									
Foreign exchange risk									
(i) Foreign exchange forward contracts	321.69	37.51	313.99	37.52	5-Apr-22 to 17-Feb-23	1:1	USD 75.74 EUR 84.73 JPY 0.66 CHF 81.85 GBP 100.18	(7.63)	(7.63)
Fair value hedge									
(i) Foreign exchange forward contracts	232.09	51.96	242.34	53.80	4-Apr-22 to 31-Jan-23	1:1	USD 69.97 EUR 88.61 JPY 0.65	8.34	8.34
March 31, 2021									
Cash Flow hedge									
Foreign exchange risk									
(i) Foreign exchange forward contracts	68.91	17.24	69.17	16.97	05-Apr-21 to 18-Jan-22	1:1	USD 73.17 EUR 86.69 JPY 0.71 CHF 81.22 GBP 100.18	0.53	0.53
Fair value hedge									
(i) Foreign exchange forward contracts	351.71	20.10	371.28	20.83	5-Apr-21 to 3-Nov-21	1:1	USD 69.64 EUR 87.37 SEX 8.46	18.83	18.83

Nominal value is the INR value of the instrument based on spot rate of the first hedge

Carrying value is the INR value of the instrument based on the spot rate of the reporting date

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

(b) Disclosure of effect of hedge accounting on financial performance

Movement in cash flow hedging reserve

Rs. Crores

Risk category Derivative instrument	Foreign currency risk	Interest rate risk	Total
	Foreign exchange forward contracts	Interest rate swaps	
Cash flow hedging reserve			
As at April 1, 2020	2.85	(5.88)	(3.03)
Add: Change in spot element of foreign exchange forward contracts	0.30	-	0.30
Add: Changes in fair value of interest rate swaps	-	3.84	3.84
Less: Amount reclassified to profit or loss under the heading 'Cost of materials consumed'	(0.35)	-	(0.35)
Less: Amount included in Property, plant and equipment	(0.17)	-	(0.17)
Less: Deferred tax relating to above (net)	(1.27)	-	(1.27)
As at March 31, 2021	1.36	(2.04)	(0.68)
Add: Change in spot element of foreign exchange forward contracts	(17.28)	-	(17.28)
Add: Changes in fair value of interest rate swaps	-	3.81	3.81
Less: Amount reclassified to profit or loss under the heading 'Cost of materials consumed'	(0.42)	-	(0.42)
Less: Amount included in Property, plant and equipment	0.14	-	0.14
Less: Deferred tax relating to above (net)	4.81	-	4.81
As at March 31, 2022	(11.39)	1.77	(9.62)

46 Fair value hierarchy (refer note 43)

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table presents fair value hierarchy of financial assets and financial liabilities measured at fair value on a recurring basis:

Rs. Crores

	Level 1	Level 2	Level 3	Total
As at March 31, 2022				
Financial assets				
Investments in liquid mutual fund at FVTPL	726.20	-	-	726.20
Investments in equity shares (unquoted) at FVTOCI	-	-	1.85	1.85
Interest rate swaps designated in hedge accounting relationship at FVTOCI	-	2.18	-	2.18
Other derivatives (foreign currency options) at FVTPL	-	0.11	-	0.11
Total financial assets	726.20	2.29	1.85	730.34
Financial liabilities				
Foreign currency forward contracts designated in hedge accounting relationship	8.66	-	-	8.66
Total financial liabilities	8.66	-	-	8.66
As at March 31, 2021				
Financial assets				
Investments in liquid mutual fund at FVTPL	757.74	-	-	757.74
Investments in equity shares (unquoted) at FVTOCI	-	-	1.85	1.85
Other derivatives (foreign currency options) at FVTPL	-	5.66	-	5.66
Total financial assets	757.74	5.66	1.85	765.25
Financial liabilities				
Foreign currency forward contracts designated in hedge accounting relationship	1.85	-	-	1.85
Interest rate swaps designated in hedge accounting relationship at FVTOCI	-	1.32	-	1.32
Total financial liabilities	1.85	1.32	-	3.17

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 inputs are unobservable inputs for the asset or liability

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

47. Asset classified as held for sale

The segment to which the 'assets held for sale' relates are as under:

Particulars	Rs. Crores	
	As at March 31, 2022	As at March 31, 2021
- Sugar	1.07	0.40
- Bioseeds	1.73	-
- Chloro Vinyl	6.45	10.98
- Shriram Farm Solutions	1.37	1.37
- Others (Hariyali Kisaan Bazaar)	23.05	49.63
- Unallocated	7.77	7.01
	41.44	69.39

Assets classified as held for sale is measured at the lower of the carrying amount and fair value less costs to sell at the reporting date. The fair value of the assets held for sale is determined using level 3 measurement as per the fair value hierarchy set out in fair value measurement disclosures.

Amounts recognised in the statement of profit and loss on assets held for sale is as under:

Particulars	Rs. Crores	
	This year	Previous year
Provision/(Reversal) for impairment in value of assets held for sale included in 'other expenses' in the statement of profit and loss	(4.06)	(5.05)
Profit (net) recognised in 'other income' in the statement of profit and loss on sale of assets held for sale	7.33	5.69

48. Based on the information available with the Company as at year end, the principal amount and interest due to Micro and small enterprises as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is Rs. 35.83 crores (March 31, 2021 - Rs. 26.44 crores) and Rs. Nil (March 31, 2021 Rs Nil) respectively.

49. Disclosures related to government grant

The government grant/government assistance recognised are as under:

Nature of Grant/assistance	Income/Expense head	Rs. Crores	
		This year	Previous year
Sugar			
Sugar export assistance	Sale of products	1.19	166.88
Sugar export assistance	Other operating revenue	8.70	-
Interest subsidy	Other income	6.03	19.44
Buffer stock subsidy	Other income	-	8.26
Benefit of loan at concessional rate of interest	Other income	5.55	7.19
Bioseed			
Benefit of loan at concessional rate of interest	Other income	0.01	0.02

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

- 50** Hon'ble High Court of Allahabad vide its order dated February 12, 2019 has set aside and quashed the notification withdrawing the Sugar Industrial Promotion Policy 2004 (Policy). The State Government has filed special leave petition (SLP) with Supreme Court against the above said order. The Company has not accrued the benefits consequent to the above said order due to uncertainties of the amount and the collection thereof.
- 51** The Scheme of amalgamation for merger of Bioseeds Limited with Shriram Bioseed Ventures Limited (wholly owned subsidiaries) has been approved by National Company Law Tribunal (NCLT) vide its order dated March 29, 2022 which became effective on April 27, 2022 on filing the certified copy of orders of NCLT in the office of Registrar of Companies.
- 52** The Board of Directors, in its meeting held on May 5, 2022, have recommended a final dividend of Rs. 4.90/- per equity share of Rs 2/- each aggregating to Rs. 76.41 crores for the financial year ended March 31, 2022. The recommendation is subject to the approval of shareholders at the forthcoming Annual General Meeting.

53 Disclosures related to title deeds of the immovable properties not held in the name of the Company

(i) as at March 31, 2022

Rs. Crores						
Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, Plant and Equipment	Land	1.56	Andhra Pradesh Industrial Infrastructure Corporation Limited (now Telangana State Industrial Infrastructure Corporation[TSIIC])	No	2007-08	Refer note below*

(ii) as at March 31, 2021

Rs. Crores						
Relevant line item in the Balance sheet	Description of item of property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since which date	Reason for not being held in the name of the company
Property, Plant and Equipment	Land	1.56	Andhra Pradesh Industrial Infrastructure Corporation Limited (now Telangana State Industrial Infrastructure Corporation[TSIIC])	No	2007-08	Refer note below*

* The Company has filed a writ petition before High Court of Telangana against cancellation of provisional allotment of the Land by TSIIC. The High Court has provided an interim stay against cancellation.

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

54. Disclosures related to shareholding of the promoters

Shares held by promoters at the end of the year		No. of Shares			% of total shares			% Change during	
S. No	Promoter name	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	FY 2021-22	FY 2020-21
1	SUMANT INVESTMENTS PRIVATE LIMITED	9,82,82,744	9,82,82,744	9,82,82,284	63.03%	63.03%	63.02%	-	0.01%
2	AJIT S. SHRIRAM	5,95,580	5,95,580	5,95,580	0.38%	0.38%	0.38%	-	-
3	AJAY S. SHRIRAM (HUF)	5,59,330	5,59,330	5,59,330	0.36%	0.36%	0.36%	-	-
4	VIKRAM S. SHRIRAM (HUF)	5,50,200	5,50,200	5,50,200	0.35%	0.35%	0.35%	-	-
5	VIKRAM S. SHRIRAM	5,03,310	5,03,310	5,03,310	0.32%	0.32%	0.32%	-	-
6	AJIT S. SHRIRAM (HUF)	5,00,000	5,00,000	5,00,000	0.32%	0.32%	0.32%	-	-
7	AJAY S. SHRIRAM	4,93,780	4,93,780	4,93,780	0.32%	0.32%	0.32%	-	-
8	TARA A. SHRIRAM	2,99,900	2,99,900	2,99,900	0.19%	0.19%	0.19%	-	-
9	ANAND A. SHRIRAM	2,98,070	2,98,070	2,98,070	0.19%	0.19%	0.19%	-	-
10	NAINIKA V. SHRIRAM	2,97,900	2,97,900	2,97,900	0.19%	0.19%	0.19%	-	-
11	ADITYA A. SHRIRAM	2,97,760	2,97,760	2,97,760	0.19%	0.19%	0.19%	-	-
12	PRANAV V. SHRIRAM	2,97,190	2,97,190	2,97,190	0.19%	0.19%	0.19%	-	-
13	VARUN A. SHRIRAM	2,96,900	2,96,900	2,96,900	0.19%	0.19%	0.19%	-	-
14	PRABHA SHRIDHAR	2,20,000	2,20,000	2,20,000	0.14%	0.14%	0.14%	-	-
15	KAVITA V. SHRIRAM	78,680	78,680	78,680	0.05%	0.05%	0.05%	-	-
16	VANDANA A. SHRIRAM	78,340	78,340	78,340	0.05%	0.05%	0.05%	-	-
17	RICHA A. SHRIRAM	34,900	34,900	34,900	0.02%	0.02%	0.02%	-	-
18	SHRIUDYOG MARKETING PVT.LTD.	-	-	460	0.00%	0.00%	0.00%	-	-
19	AMBIKA JAIPAL SINGH (Jointly with JAYANT JAIPAL SINGH)	34,350	16,500	16,500	0.02%	0.01%	0.01%	0.01%	-
20	CHARNI VINOD KUMAR	-	35,700	35,700	0.00%	0.02%	0.02%	(0.02%)	-
21	OM PRAKASH JHALANI (Jointly with ANOOP JHALANI AND PRADEEP JHALANI)	5,000	5,000	5,000	0.00%	0.00%	0.00%	-	-
22	KAUSHIK DEVA	13,000	13,000	13,000	0.01%	0.01%	0.01%	-	-
	Total	10,37,36,934	10,37,54,784	10,37,54,784	66.49%	66.49%	66.49%		

55. Disclosures of Ratios

Particulars	UoM	Mar'22	Mar'21	%variance	Reasons for change (in case of ±25% deviation from previous year)
(a) Current Ratio	Times	2.24	2.31	-3%	N.A.
(b) Debt-Equity Ratio	Times	0.01	0.04	-75%	Lower on account of debt repayment in current year
(c) Debt Service Coverage Ratio	Times	8.70	6.22	40%	Increase on account of higher profits and lower debt in current year
(d) Return on Equity Ratio	%	20.48	15.03	36%	Increase on account of higher profits in current year
(e) Inventory turnover ratio	Times	5.77	5.05	14%	N.A.
(f) Trade Receivables turnover ratio	Times	13.72	8.48	62%	Increase on account of higher turnover and lower average receivables
(g) Trade payables turnover ratio	Times	7.15	5.02	42%	Increase on account of higher purchases and lower average trade payables
(h) Net capital turnover ratio	Times	3.89	4.31	-10%	N.A.
(i) Net profit ratio	%	10.90	8.10	35%	Increase on account of higher net profits
(j) Return on Capital employed	%	34.48	19.80	74%	Increase on account of higher EBIT
(k) Return on investment	%	4.25	4.00	6%	N.A.

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

Formulae for ratios

Rs. Crores

Particulars	Formulae
Current ratio	Current assets/Current liabilities
Debt-Equity ratio	Net Debt ¹ /Total Equity
Debt service coverage ratio	Earnings ² /Net finance charges ³ + repayment of long term borrowings (excluding prepayments) during the period
Return on equity ratio	Profit after tax/Average net worth ⁴
Inventory turnover ratio	Sale of products/Average inventory ⁵
Trade receivables turnover ratio	Sale of products/Average trade receivables ⁶
Trade payables turnover ratio	Total purchases ⁷ /Average trade payables ⁸
Net capital turnover ratio	Sale of products/Average working capital ⁹
Net profit ratio	Profit after tax/Sale of products
Return on capital employed	Earnings before interest and tax (EBIT)/Average Capital employed ¹⁰
Return on investment	Income on investments/weighted average investments

- Net debt = Total borrowings - cash and cash equivalents - bank balances other than cash and cash equivalents (other than earmarked balances)
 - Earnings = Profit before tax (+) Depreciation and amortisation (+) Finance cost (-) interest and dividend income (-) net gain/(loss) on sale of current investments
 - Net finance charges = Finance cost (including interest capitalised on qualifying assets during construction period) (-) interest and dividend income (-) net gain/(loss) on sale of current investments
 - Average network⁰ = On year end closing basis
⁰Net worth = Equity share capital + other equity (excluding share held by trust under ESPS and cash flow hedging reserve)
 - Average inventory = On quarter closing basis*
 - Average trade receivables = On quarter closing basis*
 - Total purchases = Cost of raw material consumed + Consumption of stores and spares + Purchases of stock-in-trade + Change in inventories of raw material and stores & spares
 - Average trade payables = On quarter closing basis*
 - Average working capital⁰⁰ = On quarter closing basis*
⁰⁰Working capital = Current assets - Current liabilities
 - Average capital employed⁰⁰⁰ = On quarter closing basis*
⁰⁰⁰Capital employed = Total assets [excluding Investments, Cash and cash equivalents, bank balances other than cash and cash equivalents (other than earmarked balances), Capital work in progress, Capital advances and Intangible assets under development] - Total liabilities [excluding total borrowings, Capital creditors and Deferred tax assets/(liabilities)(net)]
- * Opening and closing numbers are audited, while, quarter ended June, September, December numbers are based on unaudited books of accounts

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

56 Statement showing ageing schedules pursuant to Schedule III of the Companies Act 2013

(a) Capital work in progress

(i) As at March 31, 2022

1. Ageing of Capital work in progress

Rs. Crores

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	385.87	57.88	10.47	-	454.22
Others	30.82	0.49	-	-	31.31
Total	416.69	58.37	10.47	-	485.53

2. Capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan:

Rs. Crores

CWIP	Amount in CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress				
120 MW Captive thermal power plant	321.04	-	-	-
850 TPD Caustic soda plant*	-	19.66	-	-
Total	321.04	19.66	-	-

(b) Ageing of Intangible assets under development

Rs. Crores

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3.74	0.48	5.02	-	9.24
Total	3.74	0.48	5.02	-	9.24

(a) Capital work in progress

(i) As at March 31, 2021

1. Ageing of Capital work in progress

Rs. Crores

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	58.97	7.38	-	-	66.35
Projects which are temporarily suspended	5.52	6.42	-	-	11.94
Others	21.38	2.38	1.08	0.27	25.11
Total	85.87	16.18	1.08	0.27	103.40

2. Capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan:

Rs. Crores

CWIP	Amount in CWIP for a period of			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Projects in progress				
120 MW Captive thermal power plant	59.71	-	-	-
Projects which are temporarily suspended				
700 TPD Caustic soda plant*	-	11.94	-	-
Total	59.71	11.94	-	-

(b) Ageing of Intangible assets under development

Rs. Crores

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.75	5.02	-	-	5.77
Total	0.75	5.02	-	-	5.77

* Project resumed in 2021-22 with increased capacity from 700 TPD to 850 TPD

Notes to the Standalone Financial Statements

For The Year Ended March 31, 2022

57 Statement showing ageing schedules pursuant to Schedule III of the Companies Act 2013

(a) Trade payables ageing schedule

(i) As at March 31, 2022

Rs. Crores

Particulars	Not due*	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) total outstanding dues of micro enterprises and small enterprises	35.83	-	-	-	-	35.83
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	339.50	516.79	4.10	4.38	8.46	873.23

* includes unbilled dues

(ii) As at March 31, 2021

Rs. Crores

Particulars	Not due*	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) total outstanding dues of micro enterprises and small enterprises	26.44	-	-	-	-	26.44
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	287.19	333.18	7.92	3.99	9.76	642.04

* includes unbilled dues

(b) Trade receivables ageing schedule

(i) As at March 31, 2022

Rs. Crores

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 month	6 month -1 years	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables							
- considered good	107.78	524.02	147.21	52.84	1.57	3.15	836.57
- credit impaired	-	-	0.74	2.89	14.60	43.67	61.90
(ii) Disputed Trade Receivables							
- considered good	0.14	0.24	0.27	0.35	0.19	0.11	1.30
- credit impaired	-	0.42	0.13	0.40	2.12	8.07	11.14
(iii) Unbilled revenue							16.08
Less: Provision for credit impaired receivables							(73.04)
Total							853.95

(ii) As at March 31, 2021

Rs. Crores

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 month	6 month -1 years	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables							
- considered good	102.03	311.03	22.70	6.53	3.41	3.16	448.86
- credit impaired	-	0.26	0.26	11.60	6.43	38.01	56.56
(ii) Disputed Trade Receivables							
- considered good	0.01	0.05	0.29	1.46	0.22	0.09	2.12
- credit impaired	-	0.10	-	0.25	0.94	7.76	9.05
(iii) Unbilled revenue							50.56
Less: Provision for credit impaired receivables							(65.61)
Total							501.54

Notes to the Standalone Financial Statements For The Year Ended March 31, 2022

58. Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to include certain additional disclosures or to improve relevance of information effective from April 1, 2021. Accordingly, the Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1 as under:

Balance sheet (extract)	Current year classification	Previous year classification	Rs. Crores
Lease liability	Financial liabilities	Other financial liabilities	67.12
Current maturities of long term debt - banks	Short term borrowings	Other financial liabilities	84.58
Current maturities of long term debt - others	Short term borrowings	Other financial liabilities	79.23
Unbilled revenue	Trade receivables	Other current assets	50.56

59. Particulars of sales

Description	Rs. Crores	
	Sales	
	2021-22	2020-21
Urea	1,324.73	895.53
PVC resins	852.73	606.02
Caustic soda	2,170.22	951.92
Marketable Calcium carbide	179.42	77.50
Seeds	809.88	812.89
Cement	172.73	165.00
Sugar	1,612.06	2,573.46
Ethanol	677.28	649.84
Unplasticized polyvinyl chloride (UPVC) windows	520.54	355.97
Power Sale	95.62	114.14
Petrol / Diesel	159.20	201.97
Other sales/stocks and adjustments	1,049.40	775.13
Total	9,623.81	8,179.37

For and on behalf of the Board of Directors

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

Abhishek Rara
 Partner
 Membership No. 077779
 Place: Gurugram
 Date: May 5, 2022

Sameet Gambhir
 Company Secretary
 Place: New Delhi

Amit Agarwal
 Chief Financial Officer
 Place: New Delhi

Pradeep Dinodia
 Director
 DIN: 00027995
 Place: New Delhi

Ajay S. Shriram
 Chairman & Sr. Managing Director
 DIN: 00027137
 Place: New Delhi

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") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at March 31, 2022, and the Statement of Consolidated Profit and Loss (including Other Comprehensive Income), the Statement of Consolidated Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (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 as at March 31, 2022, 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 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 the Institute of Chartered Accountants of India 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 14 of the Other Matters section 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 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

4.1 Assessment of impairment of carrying value of investments and loans/advances given to subsidiaries

(Refer to the accompanying notes 1.4 (iii), 3.1, 3.2, 7.4, 9, and 31 forming integral part of the standalone financial statements)

The Company has given loans and advances to subsidiaries aggregating to Rs. 184.28 crores as at March 31, 2022, and has investments amounting to Rs. 163.62 crores in this regard.

As at the year end, net worth of most of these subsidiaries stand 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. 108.73 crores as at March 31, 2022 (including Rs. Nil during the year) against the above investments including loans and advances.

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.

How our audit addressed the key audit matter

Our audit procedures included the following:

- 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 given to subsidiaries.
- 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 discount 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 management.
- We checked the mathematical accuracy of the impairment model and the appropriate accounting in the standalone financial statements.

Based on the above procedures performed, management's impairment assessment is considered to be reasonable.

Independent Auditor's Report

Key Audit Matter	How our audit addressed the key audit matter
<p>4.2 Impact of government policies/ notifications on recognition of subsidy accruals/claims and their recoverability (Refer to the accompanying notes 1.4 (g)(ii), 1.5(vi)(b), 19 and 29 forming integral part of the Consolidated Financial Statements)</p> <p>During the year, the Holding Company has recognized accruals/subsidy claims amounting to Rs. 1,121.70 crores (net) and as at March 31, 2022, the Holding Company has receivables of Rs. 434.88 crores relating to such claims which is significant to the Consolidated Financial Statements.</p> <p>We considered this to be a Key Audit Matter because recognition of accruals/claims and assessment of recoverability of the claims is subject to significant judgement of the management. The area of judgement includes certainty around the satisfaction of conditions specified in the notifications/policies, collections, provisions thereof, likelihood of variation in the estimation of the related computation rates and the final notification, and basis for determination of accruals/claims.</p> <p>4.3 Appropriateness of Carrying amount of deferred tax assets relating to Minimum Alternate Tax (MAT) credit (Refer to the accompanying notes 1.4 (m), 1.5(iv), 1.5 (v), 4, 26 and 40 forming integral part of the Consolidated Financial Statements)</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. 185.20 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>Our audit procedures included the following:</p> <ul style="list-style-type: none"> 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. We evaluated the management's assessment regarding reasonable certainty for complying with the relevant conditions as specified in the Notifications / policies and collections. We considered the relevant notifications/policies issued by various authorities to ascertain the appropriateness of the recognition of accruals/claims, adjustments to claims already recognised pursuant to changes in the rates and basis for determination of claims. We tested the ageing analysis and assessed the information used by the management to determine the recoverability of the claims by considering historical trends of collection against claims, the level of expected credit loss charged over time, provisions created and reversal thereof in the consolidated financial statements. <p>Based on the above procedures performed, the management's estimates related to recognition of subsidy accruals/claim and their recoverability are considered to be reasonable.</p> <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> 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. We reviewed the Company's accounting policy in respect of recognizing deferred tax assets on unutilised MAT credits. 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. 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. 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 consolidated financial statements. <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>

Independent Auditor's Report

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.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information 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 paragraph 14 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

6. 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 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 are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 consolidated 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.
7. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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.
8. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

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

9. 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.
10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. Also refer sub-paragraph 14 of the Other Matters section 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 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 to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to

Independent Auditor's Report

express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by 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.

11. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
12. 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.
13. 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

14. We did not audit the consolidated financial statements of two subsidiaries namely Shriram Bioseed Ventures Limited (having step down subsidiaries Bioseed Research USA Inc., Bioseed Holding Pte Limited and Bioseed Research Philippines Inc.) and DCM Shriram Credit and Investments Limited (having step down subsidiary DCM Shriram Infrastructure Limited), and standalone financial statements of four subsidiaries, namely Bioseed India Limited, Haryali Rural Ventures Limited, DCM Shriram Aqua Foods Limited and Fenesta India Limited whose financial statements reflect total assets of Rs. 242.57 crores and net assets of (Rs. 181.94) crores as at March 31, 2022, total revenue of Rs. 124.36 crores, total comprehensive income (comprising of profit and other comprehensive income) of Rs. 7.85 crores and net cash flows amounting to Rs. 27.13 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 51(i) and

51(ii) in the attached consolidated financial statements for matters included as emphasis of matter in the other auditors' report dated April 19, 2022.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

15. As required by paragraph 3(xxii) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included by the respective auditors in their CARO 2020 reports issued in respect of the standalone/consolidated financial statements of the companies, as applicable, which are included in these Consolidated Financial Statements.
16. 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 Statement of Consolidated Profit and Loss (including other comprehensive income), the Statement of Consolidated 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, 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2022 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 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:



Independent Auditor's Report

- i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer Note 28 to the consolidated financial statements.
 - ii. The Group did not have any long-term contracts including derivative contracts as at March 31, 2022 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 incorporated in India during the year.
 - iv. (a) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiaries (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (b) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Holding Company or any of such subsidiaries from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 - (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us and those performed by the auditors of the subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.
 - v. The dividend declared and paid during the year by the Holding Company is in compliance with Section 123 of the Act. The subsidiary companies has not declared or paid any dividend during the year.
17. 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

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Chartered Accountants

Abhishek Rara

Partner

Place: Gurugram

Date: May 05, 2022

Membership Number: 077779

UDIN: 22077779AILRP1426

Annexure A to Independent Auditors' Report

Referred to in paragraph 16(f) of the Independent Auditor's Report of even date to the members of DCM Shriram Limited on the consolidated financial statements for the year ended March 31, 2022

Report on the Internal Financial Controls with reference to Consolidated 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, 2022, we have audited the internal financial controls with reference to consolidated 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), 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 and its subsidiary companies (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 consolidated 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 (“the Guidance Note”) 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.

Independent Auditor's Report

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with 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 consolidated 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 consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.
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 Holding Company's internal financial controls system with reference to consolidated financial statements.

Meaning of Internal Financial Controls with reference to consolidated financial statements

6. A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to consolidated financial statements

7. Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Holding Company and its subsidiary companies, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2022, 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 issued by the ICAI.

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 consolidated financial statements insofar as it relates to standalone financial statement of four 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

Abhishek Rara

Partner

Place: Gurugram

Date: May 05, 2022

Membership Number: 077779

UDIN: 22077779AILRPH1426

Consolidated Balance Sheet

As At March 31, 2022

	Note	As at March 31, 2022 Rs. Crores	As at March 31, 2021 Rs. Crores
ASSETS			
Non-current assets			
Property, plant and equipment	2.1	3,315.06	3,266.94
Capital work-in-progress	2.1	485.08	103.22
Investment property	2.2	0.70	0.71
Goodwill	2.3	81.15	78.69
Other intangible assets	2.3	11.58	13.17
Intangible assets under development	2.3	9.24	5.77
Financial assets			
Investments			
- Investment in Joint Venture	3.1	-	26.19
- Other investments	3.1	3.01	4.06
Loans	3.2	25.30	13.56
Other financial assets	3.3	34.15	39.64
Deferred tax assets (Net)	4	1.61	0.84
Other non-current assets	5	226.58	72.84
Total non-current assets		4,193.46	3,625.63
Current assets			
Inventories	6	2,305.94	1,804.02
Financial assets			
Trade receivables	7.1	906.75	514.02
Cash and cash equivalents	7.2	931.70	870.14
Bank balances other than cash and cash equivalents	7.3	675.17	463.60
Loans	7.4	4.43	7.36
Other financial assets	7.5	32.63	235.67
Current tax assets (Net)	8	41.37	39.76
Other current assets	9	236.65	159.77
Total current assets		5,134.64	4,094.34
Assets classified as held for sale	10	42.79	70.74
Total assets		9,370.89	7,790.71
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	31.35	31.35
Other equity	12	5,470.45	4,616.79
Total Equity		5,501.80	4,648.14
Liabilities			
Non-current liabilities			
Financial Liabilities			
Borrowings	13.1	951.34	1,012.17
Lease liability		55.80	52.11
Other financial liabilities	13.2	0.05	0.28
Provisions	14	256.06	244.72
Deferred tax liabilities (Net)	4	222.40	3.60
Other non-current liabilities	15	4.53	10.13
Total non-current liabilities		1,490.18	1,323.01
Current liabilities			
Financial Liabilities			
Borrowings	16.1	557.50	439.03
Lease liability		12.63	17.42
Trade payables	16.2		
- total outstanding dues of micro enterprises and small enterprises		37.14	28.07
- total outstanding dues of creditors other than micro enterprises and small enterprises		923.17	673.91
Other financial liabilities	16.3	227.46	157.01
Provisions	17	56.11	58.78
Other current liabilities	18	544.01	426.29
Current tax liabilities (Net)	8	1.73	-
Total current liabilities		2,359.75	1,800.51
Liabilities associated with assets classified as held for sale		19.16	19.05
Total equity and liabilities		9,370.89	7,790.71

The accompanying notes form an integral part of the consolidated financial statements

In terms of our report attached

For and on behalf of the Board of Directors

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

Abhishek Rara
Partner
Membership No. 077779
Place: Gurugram
Date: May 5, 2022

Sameet Gambhir
Company Secretary
Place: New Delhi

Amit Agarwal
Chief Financial Officer
Place: New Delhi

Pradeep Dinodia
Director
DIN: 00027995
Place: New Delhi

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137
Place: New Delhi

Statement of Consolidated Profit and Loss

For The Year Ended March 31, 2022

	Note	Year ended March 31, 2022 Rs. Crores	Year ended March 31, 201 Rs. Crores
Revenue from operations	19	9,849.41	8,308.16
Other income	20	91.90	92.07
Total income		9,941.31	8,400.23
Expenses			
Cost of materials consumed		3,956.18	3,344.73
Purchases of stock-in-trade		856.52	809.84
Change in inventories of finished goods, stock-in-trade and work-in-progress	21	(376.89)	371.04
Excise duty		221.98	-
Employee benefits expense	22	783.29	732.65
Finance costs	23	85.37	122.00
Depreciation and amortisation expense	24	237.95	233.11
Power and fuel		1,536.74	900.48
Other expenses	25	1,075.19	997.21
Total Expenses		8,376.33	7,511.06
Profit before tax		1,564.98	889.17
Tax expense			
- Current tax	26	488.12	174.28
- Deferred tax		13.76	40.99
- Tax adjustments related to earlier years		(3.03)	1.64
Total tax expense		498.85	216.91
Profit after tax		1,066.13	672.26
Share of Profit of Joint Venture (net of tax) refer note 41		1.22	1.73
Non controlling interest		-	(0.71)
Net Profit attributable to equity shareholders of the Company		1,067.35	673.28
Other Comprehensive Income			
(i) Items that will not be re-classified to profit or loss			
- Remeasurements of defined benefit obligation	32 (ii)	0.75	7.04
- Changes in fair value of equity instruments through other comprehensive income		0.26	0.90
Income tax relating to items that will not be re-classified to profit or loss		(0.31)	(2.41)
- Share of other comprehensive income in joint venture (net of tax)		-	0.02
(ii) Items that may be re-classified to profit or loss			
- Effective portion of gain and loss on designated portion of hedging instruments in a cash flow hedge		(13.74)	3.62
- Exchange differences in translating the financial statements of foreign operations		(1.97)	(3.42)
Income tax relating to items that may be re-classified to profit or loss		4.81	(1.27)
- Share of other comprehensive income in joint venture (net of tax)		-	(0.09)
Total Other comprehensive income (net of tax)		(10.20)	4.39
Total Comprehensive income		1,057.15	678.38
Attributable to:			
- Owners of the Company		1,057.15	677.67
- Non-controlling interest		-	0.71
Earnings per equity share-basic/diluted (Rs.) (face value Rs 2 per share)	27	68.45	43.17

The accompanying notes form an integral part of the consolidated financial statements

In terms of our report attached
For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

For and on behalf of the Board of Directors

Abhishek Rara
Partner
Membership No. 077779
Place: Gurugram
Date: May 5, 2022

Sameet Gambhir
Company Secretary
Place: New Delhi

Amit Agarwal
Chief Financial Officer
Place: New Delhi

Pradeep Dinodia
Director
DIN: 00027995
Place: New Delhi

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137
Place: New Delhi

Statement of Consolidated Changes In Equity

For The Year Ended March 31, 2022

	Other Equity													Non-controlling interest	Total
	Equity Share Capital	Reserves and Surplus								Other comprehensive income			Total Other Equity		
		Securities premium	Capital redemption reserve	Storage fund for molasses account	General Reserve	Surplus in Statement of profit and loss	Statutory Reserve	Capital Reserve	Shares held by Trust under ESPS Scheme	Cash flow hedging reserve	Equity instruments through other comprehensive income	Exchange differences on translating the financial statements of foreign operations			
As at April 1, 2020	31.35	2.31	10.40	1.40	615.09	3,348.20	1.38	37.62	(7.23)	(3.06)	(2.28)	14.56	4,018.39	6.14	4,055.88
Profit for the year	-	-	-	-	-	673.28	-	-	-	-	-	-	673.28	(3.57)	669.71
Fair value movements of equity instruments through other comprehensive income	-	-	-	-	-	-	-	-	-	-	0.90	-	0.90	-	0.90
Exchange differences on translating the financial statements of foreign operations	-	-	-	-	-	2.57	-	-	-	-	-	(3.42)	(0.85)	(2.57)	(3.42)
Movements related to employees stock purchase scheme	-	-	-	-	1.74	-	-	-	-	-	-	-	1.74	-	1.74
Dividend on shares held by ESPS trust	-	-	-	-	-	0.86	-	-	-	-	-	-	0.86	-	0.86
Dividend on equity shares (Rs 5.50 per equity share)	-	-	-	-	-	(85.77)	-	-	-	-	-	-	(85.77)	-	(85.77)
Corporate dividend tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Shares granted to employees under ESPS	-	-	-	-	-	-	-	-	1.33	-	-	-	1.33	-	1.33
Transfer to/(from) storage fund for molasses	-	-	-	0.56	-	(0.56)	-	-	-	-	-	-	-	-	-
Transfer to/(from) from statutory reserve	-	-	-	-	-	(0.14)	0.14	-	-	-	-	-	-	-	-
Remeasurement of defined benefit obligation (net of tax)	-	-	-	-	-	4.65	-	-	-	-	-	-	4.65	-	4.65
Effective portion of gain and losses on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	-	-	-	-	-	-	-	-	2.26	-	-	2.26	-	2.26
As at March 31, 2021	31.35	2.31	10.40	1.96	616.83	3,943.09	1.52	37.62	(5.90)	(0.80)	(1.38)	11.14	4,616.79	-	4,648.14
Profit for the year	-	-	-	-	-	1,067.35	-	-	-	-	-	-	1,067.35	-	1,067.35
Fair value movements of equity instruments through other comprehensive income	-	-	-	-	-	-	-	-	-	-	0.26	-	0.26	-	0.26
Exchange differences on translating the financial statements of foreign operations	-	-	-	-	-	-	-	-	-	-	-	(1.97)	(1.97)	-	(1.97)
Movements related to employees stock purchase scheme	-	-	-	-	3.19	-	-	-	-	-	-	-	3.19	-	3.19
Dividend on shares held by ESPS trust	-	-	-	-	-	1.37	-	-	0.45	-	-	-	1.82	-	1.82
Pursuant to acquisition of joint venture (refer note 41)	-	-	-	-	-	-	-	3.58	-	-	-	-	3.58	-	3.58
Dividend on equity shares (Rs 13.60 per equity share)	-	-	-	-	-	(212.08)	-	-	-	-	-	-	(212.08)	-	(212.08)
Shares granted to employees under ESPS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to/(from) storage fund for molasses	-	-	-	0.60	-	(0.60)	-	-	-	-	-	-	-	-	-
Transfer to/(from) from statutory reserve	-	-	-	-	-	0.46	(0.46)	-	-	-	-	-	-	-	-
Remeasurement of defined benefit obligation (net of tax)	-	-	-	-	-	0.44	-	-	-	-	-	-	0.44	-	0.44
Effective portion of gain and losses on designated portion of hedging instruments in a cash flow hedge (net of tax)	-	-	-	-	-	-	-	-	-	(8.93)	-	-	(8.93)	-	(8.93)
As at March 31, 2022	31.35	2.31	10.40	2.56	620.02	4,800.03	1.06	41.20	(5.45)	(9.73)	(1.12)	9.17	5,470.45	-	5,501.80

The accompanying notes form an integral part of the consolidated financial statements

In terms of our report attached
For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

For and on behalf of the Board of Directors

Abhishek Rara
Partner
Membership No. 077779
Place: Gurugram
Date: May 5, 2022

Sameet Gambhir
Company Secretary
Place: New Delhi

Amit Agarwal
Chief Financial Officer
Place: New Delhi

Pradeep Dinodia
Director
DIN: 00027995
Place: New Delhi

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137
Place: New Delhi

Consolidated Cash Flow Statement For The Year Ended March 31, 2022

	Year ended March 31, 2022 Rs. Crores	Year ended March 31, 2021 Rs. Crores
A. Cash flow from operating activities		
Net profit after tax	1,066.13	672.26
Adjustments for :		
Income tax expense recognized in profit or loss	498.85	216.91
Depreciation and amortization expense	237.95	233.11
Net gain on financial assets and liquid investments	(30.26)	(14.43)
(Profit) on sale of property, plant and equipment (including assets held for sale)	(8.43)	(3.48)
Provision for credit impaired receivables (net)	7.78	5.34
Provision for credit impaired loans and advances (net)	0.15	3.68
Provision for credit impaired other financial assets (net)	0.10	28.95
(Reversal) for impairment in value of assets (including assets held for sale)	(4.06)	(5.05)
Finance cost	85.37	122.00
Dividend and Interest income	(36.72)	(28.20)
Operating profit before working capital changes	1,816.86	1,231.09
Changes in operating assets and liabilities:		
Decrease/(Increase) in Trade receivables	(339.92)	606.09
Decrease/(Increase) in Loans and advances	(8.81)	1.84
Decrease/(Increase) in Other financial assets	210.82	(17.60)
Decrease/(Increase) in Inventories	(495.10)	365.12
Decrease/(Increase) in Other current/non-current assets	(74.60)	17.27
Increase/(Decrease) in Trade payables	229.08	(224.00)
Increase in Provisions	5.71	17.06
Increase in Other financial liabilities	44.64	7.85
Increase in Other current/non-current liabilities	111.52	43.14
Cash generated from operations	1,500.20	2,047.86
Income taxes paid (net of refunds)	(275.84)	(161.05)
Net cash from operating activities	1,224.36	1,886.81
B. Cash flow from investing activities		
Purchase of property, plant and equipment (includes borrowing cost capitalised Rs. 16.43 crores; 2020-21 - Rs. 2.60 crores)	(768.01)	(251.44)
Purchase of other intangible assets	(6.73)	(2.38)
(Increase) in Bank deposits and current account balances with banks (Earmarked for unpaid dividend, margin money and deposit with banks for specific purpose)	(77.32)	(0.14)
(Increase) in Callable bank deposits (having original maturity more than 3 months)	(126.82)	(446.08)
Sale of property, plant and equipment	12.16	8.91
Proceeds from asset held for sale	39.45	24.59
Interest received	27.13	17.51
Profit on sale of investments	19.65	6.23
Purchase of equity shares of joint venture (refer note 41)	(23.80)	-
Proceeds from sale of subsidiaries	-	0.58
Net cash used in investing activities	(904.29)	(642.22)
C. Cash flow from financing activities		
Proceeds/(Repayment) from/of long term borrowings	(118.06)	112.90
Proceeds/(Repayment) from/of Short term borrowings	163.50	(795.85)
Proceeds/(Repayment) of loans repayable on demand from banks	4.95	(0.28)
Dividends paid	(212.08)	(85.77)
Principal payment of lease liabilities (refer note 34)	(17.56)	(14.31)
Interest paid on lease liabilities (refer note 34)	(5.62)	(8.20)
Finance cost paid	(73.64)	(126.01)
Net cash used in financing activities	(258.51)	(917.52)
Net increase in cash and cash equivalents	61.56	327.07
Cash and cash equivalents at the beginning of the year (excluding callable bank deposits)	870.14	543.07
Cash and cash equivalents at the end of the year (excluding callable bank deposits)	931.70	870.14
Note: Cash flow statements are prepared in accordance with 'indirect method' as per IndAS 7 - 'Statement of Cash Flows'		
Reconciliation of cash and cash equivalents as per the Cash flow statement		
Cash and cash equivalents as per above comprise of the following:		
Cash and cash equivalents (refer note 7.2)	931.70	870.14
Balances as per statement of cash flows	931.70	870.14

The accompanying notes form an integral part of the above cash flow statement

In terms of our report attached
For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016
Chartered Accountants

For and on behalf of the Board of Directors

Abhishek Rara
Partner
Membership No. 077779
Place: Gurugram
Date: May 5, 2022

Sameet Gambhir
Company Secretary
Place: New Delhi

Amit Agarwal
Chief Financial Officer
Place: New Delhi

Pradeep Dinodia
Director
DIN: 00027995
Place: New Delhi

Ajay S. Shriram
Chairman & Sr. Managing Director
DIN: 00027137
Place: New Delhi

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

1.1 Group Overview

DCM Shriram Limited ('the Company') is a public limited company incorporated in India. The Holding company, Sumant Investments Private Limited owns 63.03% of equity share capital of the Company. The registered office of the Company is at 2nd Floor (West Wing), World Mark 1, Aerocity, New Delhi – 110037, India.

The consolidated financial statements have been approved by Board of Directors in their board meeting dated May 5, 2022.

DCM Shriram Limited together with its subsidiaries is hereinafter referred to as "Group".

For information in respect of subsidiaries and joint venture, refer note 57.

The business portfolio of the Group comprises of:

- a. Chloro-Vinyl
- b. Sugar
- c. Shriram Farm Solutions
- d. Bioseed
- e. Fertilisers
- f. Others: (Fenesta, Cement and Hariyali Kisaan Bazaar)

The Group has presence in various parts of India and also in Philippines, and its principal place of businesses together with major products are as under:

Business (Products)	Principal places
Chloro- Vinyl (Poly-vinyl chloride, carbide and chlor alkali)	Kota (Rajasthan) and Bharuch (Gujarat)
Sugar (Sugar, molasses, ethanol and power)	Ajbapur, Rupapur, Hariawan and Loni at Uttar Pradesh
Shriram Farm Solutions (Trading of agri inputs)	Distribution Network across India
Bioseed (Hybrid seeds)	Hyderabad and Philippines
Fertilisers (Urea)	Kota (Rajasthan)
Fenesta (Windows and doors)	Kota and Bhiwadi (Rajasthan), Chennai (Tamilnadu), Hyderabad (Telengana)
Cement (Cement)	Kota (Rajasthan)
Hariyali Kisaan Bazaar (Fuel)	Fuel outlets at various parts of India

1.2 Basis of preparation of consolidated financial statements

The consolidated financial statements are prepared on an accrual basis under historical cost convention except for certain financial instruments which are measured at fair value. These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 ("The Act") and other relevant provisions of the Act, as applicable.

1.3 Principles of consolidation

The Consolidated financial statements incorporate the financial statements of the Company and the entities controlled by the

Company ('The Group'). The Company controls an entity when the Company is exposed to, or has rights to, variable return from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

The financial statements of subsidiaries namely DCM Shriram Foundation and Shridhar Shriram Foundation, incorporated under Section 8 of the Companies Act, 2013 are not considered for consolidation since the objective of control in these companies is not to obtain economic benefits from its activities.

Consolidation of the subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary and gain/(loss) on sale of subsidiary is recognized in the profit and loss account.

- a) The consolidated financial statements have been prepared on the following basis:
 - The financial statements of the Company and its subsidiary companies have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income, expense, each component of other comprehensive income and cash flows, after fully eliminating intra-group balances, intra-group transactions and unrealized profit or losses on intra group transactions including tax adjustment thereon.
 - Interest in joint venture is accounted for using the equity method. Accordingly, the investment is initially recognized at cost and adjusted thereafter to recognize the Company's share of the post-acquisition profit or losses of the investee in profit and loss, and Company's share of other comprehensive income of the investee in other comprehensive income (refer note 41).
 - The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.
 - Non-controlling interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the date of investments.
 - In respect of acquisitions prior to April 1, 2015, the excess of the cost of the Company of its investments in subsidiary company over the Company's portion of the equity of the subsidiary at the date on which investments were made is recognized in the consolidated financial statements as goodwill and is tested for impairment at the end of the reporting period. However, where the share of equity in the subsidiary company as on the date of investment is in excess of cost of investments, it is recognised as 'Capital Reserve' and shown under the head 'Reserves and Surplus', in the consolidated financial statements.
- b) The Companies considered for Consolidated Financial Statements are given in note 57.

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

1.4 Significant accounting policies

a) Property, Plant and Equipment

Owned Assets

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. Cost of acquisition or construction is inclusive of freight, duties, taxes, other directly attributable incidental expenses and gains or losses on effective portion of cash flow hedges related to purchase in foreign currency and interest on loans attributable to the acquisition or construction of assets up to the date of commissioning of assets.

On the date of transition to Ind AS i.e. April 1, 2015, the Group has opted to measure all of its property, plant and equipment at their previous Generally Accepted Accounting Principles net carrying value and use that net carrying value as its deemed cost.

The Group is following straight line method of depreciation in respect of buildings, plant and equipment and written down value method in respect of other assets.

Depreciation on all tangible assets is provided on the basis of estimated useful life and residual value determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc., which coincides with the useful life as prescribed under Schedule II of the Companies Act 2013 except for certain items of Plant and Equipment.

(i) Estimated useful lives:

Asset	Useful life
Buildings:	
- Roads	3-10 years
- Other than Roads	30-60 years
Leasehold improvements	5-10 Years
Plant and equipment used in generation, transmission and distribution of power	25-40 years
Plant and equipment (other than used in generation, transmission and distribution of power)	3-40 years
Furniture and fixtures	8-10 Years
Office equipments	5 Years
Vehicles	8-10 Years

(ii) Estimated residual value:

Asset	Residual value
Certain electrical equipment	10%
Other assets	0-5%

Depreciation is calculated on a pro-rata basis from the date of additions, except in cases of assets costing up to Rs. 5000 each, where each asset is fully depreciated in the year of purchase. On assets sold, discarded etc. during the year, depreciation is provided up to the date of sale/discard.

a) Intangible assets

Intangible assets (excluding goodwill on consolidation) are stated at cost less accumulated amortization and accumulated impairment loss, if any. Cost of acquisition is inclusive of duties, taxes, consultancy and other directly attributable incidental expenses.

On the date of transition to Ind AS i.e. April 1, 2015, the Group has opted to measure all of its intangible assets at their previous Generally Accepted Accounting Principles net carrying value and use that net carrying value as its deemed cost.

Amortization of intangibles is provided on straight line basis over its estimated useful lives as follows:

Technical know-how	10 years
Software	5 years

On assets sold, discarded etc. during the year, amortization is provided up to the date of sale/discard.

c) Investment property

Investment property are stated at cost less accumulated depreciation and impairment loss, if any.

Cost of acquisition or construction is inclusive of duties, taxes and incidental expenses and interest on loans attributable to the acquisition/construction of properties up to the date of Commissioning.

On the date of transition to Ind AS i.e. April 1, 2015, the Group has opted to measure all of its investment properties at their previous Generally Accepted Accounting Principles net carrying value and use that net carrying value as its deemed cost.

The Group is following straight line method of depreciation in respect of buildings. Depreciation on buildings is provided on the basis of useful life and residual value estimated by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset etc. The estimated useful life of building is 58-60 years and estimated residual value is 5%.

d) Assets held for sale

Assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. They are measured at the lower of their carrying amount (cost less accumulated depreciation, if any) on the date of transfer to assets held for sale and fair value assessed on annual basis. Gain for any subsequent increase in fair value less cost to sale of an asset is recognised only upto the extent of cumulative impairment loss that has been recognized.

e) Leases

Group as a lessee

The Group at the commencement date recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with term of less than twelve months (short term) and low-value assets in accordance with IndAS 116 'Leases'. The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs etc.

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

Subsequently, the right-of-use asset is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

For lease liabilities at the commencement date, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease. The Group recognises lease income as and when due as per terms of agreements. The respective leased assets are included in the financial statements based on their nature. The Group did not need to make any adjustments to the accounting for assets held as lessor as a result of adopting the new leasing standard.

Assets taken on Finance lease

Assets taken on finance lease are stated at the lower of the fair value of the lease assets or the present value of the minimum lease payments at the inception of the lease.

In respect of Assets taken on finance lease, when there is reasonable certainty that the Group will obtain ownership by the end of the lease term, depreciation is provided in accordance with the policy followed by the Group for owned assets.

f) Inventories

Inventories, other than By-products, are valued at lower of cost (determined on weighted average basis) and net realisable value. The bases for determining cost for different categories of inventory are as under:

Stores & spares, raw materials and stock-in-trade	Cost of purchases (including other cost incurred in bringing inventory to its present location and condition)
Work-in-Progress and finished goods	Direct Cost (including material, labour etc), conversion cost and appropriate share of overheads. The costs allocation between the joint products is carried out based on technical estimates

By-products are valued at estimated net realisable value

g) Revenue recognition

- i) Sales are recognized, at values as per agreements, net of returns, trade discounts and volume discounts, if any, on transfer of significant risks and rewards of ownership/effective Control to the buyer, which coincides with dispatch/delivery/installation to customers, as applicable. Sales include excise duty but exclude sales tax, value added tax and Goods and Service tax.
- ii) Under the retention pricing scheme, the Government of India reimburses to the fertilizer industry, the difference between the retention price based on the cost of production and selling price (as realized from the farmers) as fixed by the Government from time to time, in the form of subsidy. The effect of variation in input costs/expenses on retention price yet to be notified is accounted for by the Company as income for the year based on its ultimate collection with reasonable degree of certainty at the time of accrual.

h) Government grants

Government grants are assistance by government in the form of transfers of resources to an entity in return for past or future compliance with certain conditions relating to the operating activities of the entity. They exclude those forms of government assistance which cannot reasonably have a value placed upon them and transactions with government which cannot be distinguished from the normal trading transactions of the entity.

Government grants are recognized where there is reasonable assurance that the Group will comply with the conditions attached to it and that the grants will be received. Grants are presented as part of income in the statement of profit and loss; alternatively they are deducted in reporting the related expense.

The benefit of a government loan at a below market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on the prevailing market interest rates.

i) Employee benefits

(i) Defined contribution plans

Company's contribution paid/payable during the year to provident fund, superannuation fund and employees' state insurance corporation are recognized in the statement of profit and loss. For the Provident Fund Trust administered by the Company, it is liable to meet the shortfall, if any, in payment of interest at the rates declared by the Central Government, and such liability is recognized in the year of shortfall.

(ii) Defined benefit plans

The liability recognized in respect of gratuity is the present value of defined benefit obligation at the end of the reporting period less the fair value of plan assets, where applicable. The Company makes contribution to the LIC for Employees Gratuity Scheme in respect of employees of one of the division. The defined benefit obligation is calculated annually by actuary using the Projected Unit Credit Method. Re-measurement comprising actuarial gains and losses and return on plan assets (excluding net interest) are recognized in the other comprehensive income for the period in which they occur and is not reclassified to profit or loss.

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

(iii) Compensated absences

Provision for earned leave and medical leave is determined on an actuarial basis at the end of the year and is charged to the statement of profit and loss each year. Actuarial gains and losses are recognized in the statement of profit and loss for the period in which they occur.

(iv) Share based payments

Equity settled share based payments to employees under DCM Shriram Employees Stock Purchase Scheme (ESPS) are measured at the Fair value (which equals to Market price less exercise price) of the equity instruments at grant date. Fair value determined at the grant date is expensed on a straight line basis over the vesting period.

j) Foreign currency transactions

The functional currency of the Company is Indian rupee. Transactions in foreign currencies are recorded on initial recognition at the exchange rate prevailing on the date of the transaction.

Monetary items (i.e. receivables, payable, loans etc) denominated in foreign currency are reported using the closing exchange rate on each reporting date.

The exchange difference arising on the settlement of monetary items or on reporting these items at rates different from rates at which these were initially recorded/reported in previous consolidated financial statements are recognized as income/expense in the period in which they arise except for exchange difference on foreign currency borrowings relating to asset under construction for future use, which are included in the cost of those assets when they are regarded as an adjustment to interest cost on those foreign currency borrowings.

The results and financial position of Group's foreign operations that have a functional currency different from the presentation currency (INR) are translated into the presentation currency as under:

- Assets and liabilities are translated at the closing exchange rate at the end of each reporting period
- Income and expenses are translated at average exchange rates, and
- All resulting exchange differences are recognized in other comprehensive income

Exchange differences on monetary items receivable from or payable to subsidiaries having foreign operations for which settlement is neither planned nor likely to occur are recognized in other comprehensive income and are reclassified from equity to profit or loss on repayment of monetary items.

k) Financial instruments

Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial asset or financial liabilities, as appropriate, on initial recognition.

Subsequent measurement:

A. Non-derivative financial instruments

- (i) **Financial assets carried at amortised cost:** A financial asset is subsequently measured at amortised cost if it is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- (ii) **Financial assets carried at fair value through other comprehensive income (FVTOCI):** The Company has made an irrevocable election for its investments which are classified as equity instruments (Other than Investment in Subsidiaries and Joint Venture) to present the subsequent changes in fair value in other comprehensive income.
- (iii) **Investment in subsidiaries and Joint Venture:** Investment in subsidiaries and joint venture is carried at cost less impairment, if any.
- (iv) **Financial assets carried at fair value through profit or loss (FVTPL):** A financial asset which is not classified in any of the above categories are subsequently measured at fair value through profit or loss.
- (v) **Financial liabilities:** Financial liabilities are subsequently measured at amortized cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

B. Derivative financial instruments:

The Group holds derivative financial instruments such as foreign exchange forward and option contracts to mitigate the risk of changes in exchange rates on foreign currency exposures. The Company also holds swaps to mitigate interest rate risks. The counterparty for these contracts is generally a bank.

- (i) **Cash flow hedge:** The effective portion of changes in the fair value of the hedging instruments is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. Such amounts are reclassified in to the statement of profit or loss when the related hedge items affect profit or loss except in respect of inventories and property, plant and equipment where such changes are adjusted to their cost.
Any ineffective portion of changes in the fair value of the derivative or if the hedging instrument no longer meets the criteria for hedge accounting, is recognized immediately in the statement of profit and loss.
- (ii) **Fair Value Hedge:** Changes in fair value of derivatives including forward exchange contracts that qualify as fair value hedge are recognized in profit or loss.
- (iii) **Financial instruments at fair value through profit or loss:** This category has derivative financial instruments which are not designated as hedges. Any derivative that is either not designated a hedge, or is so designated but is ineffective as per Ind AS 109, is categorized as a financial instruments at fair value through profit or loss.

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

Derecognition of financial instruments

The Group derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

l) Impairment

(i) Financial assets

The Group recognizes loss allowances using the expected credit loss for the financial assets which are not measured at fair value through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit loss.

(ii) Non-financial assets:

Tangible and intangible assets

Property, plant and equipment and intangible assets are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs. If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the statement of profit or loss. The Group review/assess at each reporting date if there is any indication that an asset may be impaired.

m) Income taxes

The Income-tax expense is provided in accordance with the tax laws of countries where the Company and its subsidiaries operate. Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Income tax and deferred tax are measured on the basis of the tax rates and tax laws enacted or substantively enacted at the end of the reporting period and are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the income tax and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

n) Provisions

Provisions for claims including litigations are recognised when the Group has a present obligation as a result of past events, in the year when it is established by way of orders of court or government notifications etc. that it is probable that an outflow of resources will be required to settle the obligations and the amount can be reasonably estimated. The provision including any subsequent adjustments are accounted for in the same expenditure line item to which the claim pertains.

1.5 Use of estimates

The preparation of these consolidated financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of asset and liabilities, disclosures relating to contingent liabilities as at the date of the consolidated financial statements and the reported amounts of income and expense for the period presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the key assumptions concerning the future, and other sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities in future are:

i) Useful lives and residual value of property, plant and equipment, intangible assets and Investment Properties:

Useful life and residual value are determined by the management based on a technical evaluation considering nature of asset, past experience, estimated usage of the asset, vendor's advice etc and same is reviewed at each financial year end.

ii) **Leases:** The Group determines the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. In evaluating the lease term, the Group considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives.

The discount rate is generally based on the incremental borrowing rate. To determine the incremental borrowing rate, the Group uses recent third-party financing received by the Company, adjusted to lease term etc, specific to the lease being evaluated.

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

- iii) Impairment of investments:** The Company reviews the carrying value of long term investments in equity/preference shares of subsidiaries, joint venture and other companies carried at cost/amortized cost at the end of each reporting period. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- iv) Income tax:** For computing the income-tax provision as at the year end, the Company continues to estimate profits pertaining to its captive power units eligible for deduction u/s 80-IA of the Income-tax Act (the Act), as in the previous years. Based on the recent judgements, during the year the Company has preferred enhanced claim of deduction available u/s 80-IA of the Act, wherever permissible under the Act including for the earlier financial years for the purpose of filing Income tax return.
- v) Deferred tax assets:** The Group reviews the carrying amount of deferred tax assets including Minimum alternate tax credit at the end of each reporting period and reduces to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.
- vi) Revenue:**
- a) Provision of Sales Returns, Warranties and Discounts:** Provision for Sales Returns, Warranties and Discounts are estimated based on past experience, market conditions and announced schemes.
- b) Claims from 'Fertiliser Industry Coordination Committee' (FICC), Government of India:** The Company takes revenue credits for urea subsidy claims, which are pending notification/ final acceptance by 'Fertiliser Industry Coordination Committee' (FICC), Government of India, in pursuance of the Retention Price Scheme administered for nitrogenous fertilisers, when as per judgment of the Company, there is reasonable certainty based on Policy and past experience that claims will be notified in due course (also refer note 29).
- vii) Provision for gratuity and compensated absences:** The provision for gratuity and compensated absences are based on actuarial valuation using the projected unit credit method. The Group uses actuarial assumptions to determine the obligation for employee benefit at each reporting period. These assumptions include the discount rate, salary escalation and employee turnover rate.

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

2.1 Property, plant and equipment

Rs. Crores

	Freehold Land	Buildings	Leasehold Improvements	Plant and Equipments	Furniture and Fixtures	Office Equipments	Right of use asset - Land	Right of use asset - Building	Vehicles	Right of use asset- Vehicles	Total
Gross Carrying amount											
Balance at April 1, 2020	68.13	429.45	8.05	3,174.10	12.29	24.53	15.05	151.45	71.31	1.50	3,955.86
Additions	3.08	29.62	-	100.01	1.37	4.03	-	3.69	2.68	0.64	145.12
Disposals	(0.19)	(4.52)	(0.97)	(19.38)	(1.30)	(2.25)	-	(54.81)	(7.29)	-	(90.71)
Transferred from asset held for sale(refer foot note 6 below)	0.41	4.83	-	-	-	-	-	-	-	-	5.24
Transferred from investment property(refer note 2.2)	1.20	5.34	-	-	-	-	-	-	-	-	6.54
Exchange differences	-	0.03	-	0.02	0.01	0.01	-	-	0.02	-	0.09
Balance at March 31, 2021	72.63	464.75	7.08	3,254.75	12.37	26.32	15.05	100.33	66.72	2.14	4,022.14
Additions	8.46	27.76	-	186.96	4.20	6.32	7.90	18.37	27.07	0.66	287.70
Pursuant to acquisition of joint venture (refer note 41)	-	5.29	-	15.55	0.23	0.11	-	-	0.23	-	21.41
Disposals	(0.46)	(0.96)	-	(38.59)	(0.97)	(1.73)	-	(16.17)	(14.16)	(0.46)	(73.50)
Transferred to asset held for sale	(1.73)	-	-	(0.97)	-	-	-	-	-	-	(2.70)
Transferred to investment property	-	(1.48)	-	-	-	-	(1.78)	-	-	-	(3.26)
Exchange differences	-	(0.13)	-	(0.34)	-	(0.03)	-	-	(0.02)	-	(0.52)
Balance as at March 31, 2022	78.90	495.23	7.08	3,417.36	15.83	30.99	21.17	102.53	79.84	2.34	4,251.27
Accumulated Depreciation											
Balance at April 1, 2020		56.01	5.05	424.33	6.24	14.55	0.51	20.47	35.87	0.43	563.46
Depreciation charge for the year		17.91	0.69	165.99	1.61	4.84	0.34	20.77	10.84	0.24	223.23
Disposals		(2.00)	(0.97)	(14.31)	(1.08)	(1.71)	-	(7.01)	(5.16)	-	(32.24)
Transferred from investment property(refer note 2.2)		0.61	-	-	-	-	-	-	-	-	0.61
Exchange differences		-	-	0.07	0.02	0.04	-	-	0.01	-	0.14
Balance at March 31, 2021		72.53	4.77	576.08	6.79	17.72	0.85	34.23	41.56	0.67	755.20
Depreciation charge for the year		18.61	0.55	176.26	1.88	5.06	0.26	19.47	10.59	0.39	233.07
Pursuant to acquisition of joint venture (refer note 41)		1.19	-	7.22	0.20	0.08	-	-	-	-	8.69
Disposals		(0.26)	-	(31.90)	(0.76)	(1.73)	-	(13.73)	(11.17)	(0.45)	(60.00)
Transferred to asset held for sale		-	-	(0.30)	-	-	-	-	-	-	(0.30)
Transferred to investment property (refer note 2.2)		-	-	-	-	-	(0.33)	-	-	-	(0.33)
Exchange differences		(0.03)	-	(0.07)	-	(0.01)	-	-	(0.01)	-	(0.12)
Balance at March 31, 2022		92.04	5.32	727.29	8.11	21.12	0.78	39.97	40.97	0.61	936.21
Net carrying amount											
As at March 31, 2022	78.90	403.19	1.76	2,690.07	7.72	9.87	20.39	62.56	38.87	1.73	3,315.06
As at March 31, 2021	72.63	392.22	2.31	2,678.67	5.58	8.60	14.20	66.10	25.16	1.47	3,266.94
Capital work in progress											
[refer note 55 (a)]											
As at March 31, 2022											485.08
As at March 31, 2021											103.22

Notes:

1. Refer note 23 for information on borrowing costs capitalised during the year.
2. Refer note 28 (ii) for information on contractual commitments for acquisition of property, plant and equipment
3. Refer note 34(ii) for information on property, plant and equipment where the Company is a lessor under operating lease.
4. Refer note 39 for information on property, plant and equipment pledged as security.
5. Freehold land includes Rs. 1.56 crores (March 31, 2021 - Rs 1.56 crores) pending registration in favour of the Company.
6. Pursuant to use for business operations, these have been reclassified to Property, Plant and Equipment

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

2.2 Investment property

	Rs. Crores		
	Land	Buildings	Total
Gross Carrying amount			
Balance as at April 1, 2020	1.71	5.57	7.28
Transferred to Property, plant and equipment(refer note 2.1)	(1.20)	(5.34)	(6.54)
Balance as at March 31, 2021	0.51	0.23	0.74
Transferred from Property, plant and equipment(refer note 2.1)	1.78	1.48	3.26
Disposals	(1.78)	(1.48)	(3.26)
Balance as at March 31, 2022	0.51	0.23	0.74
Accumulated Depreciation			
Balance as at April 1, 2020		0.54	0.54
Depreciation charge for the year		0.10	0.10
Transferred to Property, plant and equipment(refer note 2.1)		(0.61)	(0.61)
Balance at March 31, 2021		0.03	0.03
Depreciation charge for the year		0.03	0.03
Transferred from Property, plant and equipment(refer note 2.1)	0.33	-	0.33
Disposals	(0.33)	(0.02)	(0.35)
Balance at March 31, 2022	-	0.04	0.04
Net carrying amount			
As at March 31, 2022	0.51	0.19	0.70
As at March 31, 2021	0.51	0.20	0.71

Refer note 33 for other information relating to investment property

2.3 Intangible assets

	Rs. Crores			
	Technical Know how	Software	Total	Goodwill
Gross carrying amount				
Balance at April 1, 2020	4.31	52.07	56.38	81.13
Additions	-	4.76	4.76	-
Disposals	(0.38)	(1.85)	(2.23)	-
Exchange differences	-	(0.09)	(0.09)	(2.44)
Balance at March 31, 2021	3.93	54.89	58.82	78.69
Additions	-	3.29	3.29	-
Disposals	-	(0.02)	(0.02)	-
Exchange differences	-	(0.03)	(0.03)	2.46
Balance as at March 31, 2022	3.93	58.13	62.06	81.15
Accumulated amortization				
Balance at April 1, 2020	0.62	37.03	37.65	-
Amortization for the year	0.36	9.42	9.78	-
Disposals	-	(1.78)	(1.78)	-
Balance at March 31, 2021	0.98	44.67	45.65	-
Amortization for the year	0.34	4.51	4.85	-
Disposals	-	(0.02)	(0.02)	-
Balance as at March 31, 2022	1.32	49.16	50.48	-
Net carrying amount				
As at March 31, 2022	2.61	8.97	11.58	81.15
As at March 31, 2021	2.95	10.22	13.17	78.69
Intangible assets under development*				
As at March 31, 2022			9.24	
As at March 31, 2021			5.77	

* refer note 55(b)

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

	As at March 31, 2022 Rs. Crores	As at March 31, 2021 Rs. Crores
3 NON-CURRENT FINANCIAL ASSETS		
3.1 Non-current investments		
(a) Investment in Joint Venture (using equity method of accounting)		
Unquoted		
Nil* (March 31, 2021; 17,32,500)	-	26.19
Equity shares of Shriram Axiall Private Limited of Rs. 10/- each fully paid up * refer note 41	-	26.19
(b) Other than Joint Venture		
(i) Investment in Equity Instruments		
- Subsidiaries (at cost)		
Unquoted		
10,000 (March 31, 2021: 10,000)		
Equity shares of DCM Shriram Foundation of Rs. 10/- each fully paid up	0.01	0.01
50,000 (March 31, 2021: 50,000)		
Equity shares of Shridhar Shriram Foundation of Rs. 10/- each fully paid up	0.05	0.05
	0.06	0.06
- Other than subsidiaries (at fair value through other comprehensive income)		
Quoted		
1,40,000 (March 31, 2021: 1,40,000)		
Equity shares of IFCI Limited of Rs.10/- each fully paid up	0.16	0.17
37,795 (March 31, 2021: 296,795)		
Equity shares of Bank of Baroda of Rs. 2/-each fully paid up	0.42	1.31
7,908 (March 31, 2021: 20,108)		
Equity shares of Gujarat State Petronet Limited of Rs. 10/- each fully paid up	0.20	0.33
17,150 (March 31, 2021: 17,150)		
Equity shares of Punjab National Bank of Rs. 2/- each fully paid up	0.06	0.06
89,350 (March 31, 2021: 89,350)		
Equity shares of Yes Bank Ltd of Rs 10/- each fully paid up	0.11	0.14
	0.95	2.01
Unquoted		
18,61,134 (March 31, 2021: 18,61,134)		
Equity shares of Narmada Clean Tech of Rs. 10/- each fully paid up	1.85	1.85
2,00,000 (March 31, 2021: 2,00,000)		
Equity shares of Ellenbarie Commercial Limited of Rs.10/- each fully paid up	1.50	1.50
Less : Provision for impairment in value of investment	(1.50)	(1.50)
40,000 (March 31, 2021: 40,000)		
Equity shares of BMD Estate Private Limited of Rs.10/- each fully paid up	0.75	0.75
Less : Provision for impairment in value of investment	(0.75)	-
	1.85	1.85

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

	As at March 31, 2022 Rs. Crores	As at March 31, 2021 Rs. Crores
- Other than subsidiaries (at fair value through profit and loss)		
Quoted		
5,400 (March 31, 2021: 5,400)		
Master Gains 92 of Unit Trust of India of Rs. 10/-each fully paid up	0.09	0.08
(ii) Investment in Government securities		
Unquoted (at amortized cost)		
National savings certificates	0.06	0.06
	<u>3.01</u>	<u>4.06</u>
Total	<u>3.01</u>	<u>30.25</u>
Aggregate book value		
- Quoted	1.04	2.09
- Unquoted	4.22	30.41
Aggregate provision for diminution in value of investments	2.25	2.25
Summary:		
- Investments carried at cost	0.06	0.06
- Investments carried at amortized cost	0.06	0.06
- Investments at fair value through other comprehensive income	2.80	3.86
- Investments at fair value through profit or loss	0.09	0.08
- Investments in joint venture using equity method of accounting	-	26.19
3.2 Loans		
(Unsecured considered good, unless otherwise stated)		
Loan to employees		
Considered good	16.27	8.20
Considered credit impaired	0.74	0.74
	<u>17.01</u>	<u>8.94</u>
Less: Provision for credit impaired loan	0.74	0.74
	<u>16.27</u>	<u>8.20</u>
Loan to others	9.03	5.36
	<u>25.30</u>	<u>13.56</u>
3.3 Other financial assets		
Interest accrued on investments, deposits etc.	1.46	0.53
Fixed deposits with banks (earmarked)	1.78	9.21
Security deposits ⁽ⁱ⁾	30.91	29.90
	<u>34.15</u>	<u>39.64</u>

(i) includes given to related parties [(refer note 31 (b))]

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2022

	As at March 31, 2022 Rs. Crores	As at March 31, 2021 Rs. Crores
4 Deferred tax assets / (liabilities) (Net)		
[refer note 40(d)]		
Deferred tax assets:		
Minimum alternate tax (MAT) credit entitlement	183.89	392.41
Provision for gratuity and compensated absences	99.28	96.49
Provision for doubtful debts and advances	48.94	45.78
Others	9.09	11.48
	<u>341.20</u>	<u>546.16</u>
Deferred tax liabilities:		
Depreciation	561.99	548.92
	<u>561.99</u>	<u>548.92</u>
Net deferred tax assets - after set off	1.61	0.84
Net deferred tax (liabilities) - after set off	(222.40)	(3.60)
Deferred tax assets and deferred tax liabilities have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and liabilities relate to income tax levied by the same taxation authority		
5 Other non-current assets		
Capital advances	219.58	68.26
Prepaid expenses	1.04	0.80
Others (including amount deposited with Government authorities)	5.96	3.78
	<u>226.58</u>	<u>72.84</u>
CURRENT ASSETS		
6 Inventories⁽ⁱ⁾		
Raw materials (includes goods in transit - Rs 5.33 crores; March 31, 2021 - Rs 9.83 crores)	280.50	243.38
Work-in-progress	210.46	176.38
Finished goods (includes goods in transit Rs. 9.38 crores; March 31, 2021 - Rs. 4.28 crores)	1,454.48	1,115.14
Stock-in-trade (includes goods in transit - Rs Nil ; March 31, 2021 - Rs. 1.78 crores)	97.77	85.62
Stores and spares	262.73	183.50
	<u>2,305.94</u>	<u>1,804.02</u>
(i) refer note 39		
7 Financial Assets		
7.1 Trade receivables⁽ⁱ⁾		
Secured - considered good	-	2.05
Unsecured - considered good	890.67	461.41
Unsecured - considered credit impaired	76.49	66.54
	<u>967.16</u>	<u>530.00</u>
Less: Provision for credit impaired receivables	76.49	66.54
Unbilled revenue	16.08	50.56
	<u>906.75</u>	<u>514..02</u>
(i) includes dues from related parties [(refer note 31(b)) Also refer note 56 (b)]		
7.2 Cash and cash equivalents⁽ⁱ⁾		
Balances with banks on		
- current accounts	202.25	60.45
- deposit accounts (less than 3 months maturity)	-	50.00
Cash on hand	0.39	0.43
Liquid investments - mutual funds	729.06	759.26
	<u>931.70</u>	<u>870.14</u>
(i) comprises cash at bank and at hand, short term deposits and liquid mutual funds that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value		

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2022

	As at March 31, 2022 Rs. Crores	As at March 31, 2021 Rs. Crores
7.3 Bank balances other than cash and cash equivalents		
Balances with banks on		
- current accounts (earmarked) ⁽ⁱ⁾	9.06	8.47
- deposit accounts (earmarked) ⁽ⁱ⁾	93.21	9.05
- deposit accounts (more than 3 months but less than 12 months)	<u>572.90</u>	<u>446.08</u>
	675.17	463.60
(i) earmarked for unpaid dividend, margin money and deposit with banks for specific purpose		
7.4 Loans		
(Unsecured Considered good unless otherwise stated)		
Loan to employees	3.27	4.40
Loan to others	<u>1.16</u>	<u>2.96</u>
	4.43	7.36
7.5 Other financial assets		
Interest accrued on loans, investment, deposits etc	20.99	12.33
Other debts (includes claims from government authorities)		
Considered good	7.82	214.81
Considered doubtful	<u>27.10</u>	<u>27.10</u>
	37.92	241.91
Less: Provision for doubtful debts	<u>27.10</u>	<u>27.10</u>
	7.82	214.81
Security deposits	1.53	1.58
Considered good	1.95	1.85
Considered doubtful	<u>3.48</u>	<u>3.43</u>
Less: Provision for doubtful deposits	<u>1.95</u>	<u>1.85</u>
	1.53	1.58
Derivative designated as hedge:		
- Others (Foreign currency options)	0.11	6.95
- Interest rate swaps	<u>2.18</u>	<u>-</u>
	32.63	235.67
8 Current tax assets / (liabilities) (net)		
Advance tax	1,303.81	824.06
Less: Provision for current tax	<u>(1,264.17)</u>	<u>(784.30)</u>
	39.64	39.76
Net current tax assets - after set off	41.37	39.76
Net current tax (liabilities) - after set off	<u>(1.73)</u>	<u>-</u>
Current tax assets and current tax liabilities have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liabilities		
9 Other current assets		
(Unsecured Considered good unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received		
Considered good	182.48	112.94
Considered doubtful	<u>14.25</u>	<u>14.10</u>
	196.73	127.04
Less: Provision for doubtful advances	<u>14.25</u>	<u>14.10</u>
	182.48	112.94
Prepaid expenses	17.97	17.38
Balances with customs, excise etc.	28.01	19.05
Others	<u>8.19</u>	<u>10.40</u>
	236.65	159.77

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

	As at March 31, 2022 Rs. Crores	As at March 31, 2021 Rs. Crores
10. Assets classified as held for sale		
Land and buildings	35.27	59.35
Plant and machinery	7.52	11.39
	<u>42.79</u>	<u>70.74</u>
Refer note 46 for other information relating to assets classified as held for sale.		
11. Equity share capital		
Authorised		
29,49,50,000 (March 31, 2021 - 29,49,50,000)	58.99	58.99
Equity shares of Rs.2 each with voting rights		
65,01,000 (March 31, 2021 - 65,01,000)		
Cumulative redeemable preference shares of Rs. 100 each	65.01	65.01
	<u>124.00</u>	<u>124.00</u>
Issued		
15,98,42,296 (March 31, 2021 - 15,98,42,296)		
Equity shares of Rs 2 each with voting rights	31.97	31.97
Subscribed and fully paid up		
15,59,42,296 (March 31, 2021 - 15,59,42,296)		
Equity shares of Rs. 2 each with voting rights, fully paid- up	31.19	31.19
Forfeited shares - Amount originally paid up	0.16	0.16
	<u>31.35</u>	<u>31.35</u>

Notes:

(i) Reconciliation of number of shares and amount outstanding at the beginning and at the end of the reporting period:

Subscribed and fully paid up Equity Shares:	<u>No. of shares</u>	<u>Value (Rs. Crores)</u>
As at April 1, 2020	15,59,42,296	31.19
As at March 31, 2021	15,59,42,296	31.19
As at March 31, 2022	15,59,42,296	31.19

Buy-back of shares

- The Company bought back and extinguished 64,73,841 equity shares of Rs 2 each during financial year 2018-19

(ii) Rights, preferences and restrictions on equity shares:

Voting rights and dividend shall be in the proportion to the capital paid upon equity shares. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to the capital paid upon equity share after distribution of all preferential amount.

	<u>As at March 31, 2022</u>		<u>As at March 31, 2021</u>	
	<u>No. of shares</u>	<u>%</u>	<u>No. of shares</u>	<u>%</u>
(iii) Shares held by the holding company:				
Sumant Investments Private Limited	9,82,82,744	63.03%	9,82,82,744	63.03%
(iv) The shareholders holding more than 5% equity shares are as under:				
Sumant Investments Private Limited	9,82,82,744	63.03%	9,82,82,744	63.03%
Life Insurance Corporation of India	1,05,14,136	6.74%	1,05,14,136	6.74%
(v) Share held by promoters :				
Refer note 52				

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

	As at March 31, 2022 Rs. Crores	As at March 31, 2021 Rs. Crores
12. Other equity¹		
12.1 General Reserve	620.02	616.83
12.2 Surplus in statement of profit and loss	4,800.03	3,943.09
12.3 Securities premium	2.31	2.31
12.4 Capital reserve	41.20	37.62
12.5 Capital redemption reserve	10.40	10.40
12.6 Storage fund for molasses account	2.56	1.96
12.7 Statutory reserve	1.06	1.52
12.8 Share held by trust under Employees Stock Purchase Scheme (ESPS) ²	(5.45)	(5.90)
12.9 Other comprehensive income		
- Cash flow hedging reserve (refer note 44.4)	(9.73)	(0.80)
- Exchange difference on translating the financial statements of foreign operations	9.17	11.14
- Investments in equity instruments through OCI	(1.12)	(1.38)
	5,470.45	4,616.79
<p>1. Created under relevant Act/statutes. For movement during the year, refer 'Statement of changes in equity'.</p> <p>2. Share held by trust under ESPS represents cost of 11,79,674 (March 31, 2021 - 12,77,924) equity shares purchased and held by the Employee Benefit trust under ESPS scheme.</p>		
NON-CURRENT LIABILITIES		
13 Financial liabilities		
13.1 Long term borrowings (at amortized cost)		
Secured (refer note 39B)		
Debentures	174.42	197.55
Term loans		
From banks	508.73	545.81
From others	234.54	257.17
	917.69	1,000.53
Unsecured		
Deposits		
Fixed	33.65	11.64
	33.65	11.64
	951.34	1,012.17
13.2 Other financial liabilities		
Interest accrued but not due on loans and deposits	0.05	0.28
	0.05	0.28
14 Long term provisions		
Provision for employee benefits		
Gratuity (refer note 32)	136.38	128.35
Compensated absences	96.13	92.79
Other benefits	11.44	11.48
Provision for contingencies (refer note 35)	12.11	12.10
	256.06	244.72
15. Other non-current liabilities		
Security deposits	0.01	0.01
Others (includes deferred government grant)	4.52	10.12
	4.53	10.13

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

	As at March 31, 2022 Rs. Crores	As at March 31, 2021 Rs. Crores
CURRENT LIABILITIES		
16 Financial Liabilities		
16.1 Short-term borrowings - at amortized cost		
Secured (refer note 39B)		
Current maturities of long-term debt		
From banks	43.20	84.58
From others	67.13	54.58
Loans repayable on demand from banks	5.67	0.72
Others loans and advance from banks	<u>403.00</u>	<u>199.50</u>
	<u>519.00</u>	<u>339.38</u>
Unsecured		
Current maturities of long-term debt		
From others	3.50	24.65
Loans repayable on demand		
From others ⁽ⁱ⁾	-	50.00
Others loans from banks	<u>35.00</u>	<u>25.00</u>
	<u>38.50</u>	<u>99.65</u>
	<u>557.50</u>	<u>439.03</u>
(i) represents commercial papers		
16.2 Trade payables⁽ⁱ⁾		
Total outstanding dues of micro enterprises and small enterprises (refer note 47)	37.14	28.07
Total outstanding dues of creditors other than micro enterprises and small enterprises	<u>923.17</u>	<u>673.91</u>
	<u>960.31</u>	<u>701.98</u>
(i) refer note 56 (a)		
16.3 Other financial liabilities		
Interest accrued but not due on borrowings	4.65	5.56
Unpaid dividends	9.06	8.54
Unpaid matured deposits and interest accrued thereon	0.05	0.03
Employee dues payable ⁽ⁱ⁾	61.42	40.85
Security deposits	49.06	41.89
Others liabilities	94.90	56.97
(includes capital creditors Rs 54.19 crores; March 31, 2021 - Rs 27.86 crores)		
Derivative designated as hedge:		
- Foreign exchange forward contracts	8.32	1.85
- Interest rate swaps	-	1.32
	<u>227.46</u>	<u>157.01</u>
(i) includes dues to related parties [(refer note 31(b))]		
17 Short term provisions		
Provision for employee benefits		
Gratuity	26.28	28.51
Compensated absences	28.26	28.62
Other benefits	1.57	1.35
Contingent provision for standard assets	-	0.30
	<u>56.11</u>	<u>58.78</u>
18 Other current liabilities		
Statutory levies (including statutory dues payable)	190.52	166.01
Advances received from customers	350.28	256.55
Other current liabilities	3.21	3.73
	<u>544.01</u>	<u>426.29</u>

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

	Year Ended March 31, 2022 Rs. Crores	Year Ended March 31, 2021 Rs. Crores
19. Revenue from operations		
Revenue from sale of products		
Gross revenue ⁽ⁱ⁾	10,046.90	8,575.39
Less: Discounts	251.87	301.50
	<u>9,795.03</u>	<u>8,273.89</u>
Other operating revenue		
Rent	0.25	0.31
Liabilities / provisions no longer required written back	5.72	5.15
Interest income	0.71	0.57
Miscellaneous income (includes scrap sales) (refer note 48)	47.70	28.24
	<u>54.38</u>	<u>34.27</u>
Revenue from Operations	<u>9,849.41</u>	<u>8,308.16</u>
(i) Notes:		
(a) Includes Rs 199.77 crores against advance received from customers balance as at April 1, 2021 (2020-21 - Rs 174.34 crores)		
(b) Includes Rs 33.15 crores on account of differential urea subsidy claims notified for earlier periods by 'Fertiliser Industry Coordination Committee (FICC), Government of India, in pursuance of the Retention Price Scheme administered for nitrogenous fertilisers (2020-21 - Rs 19.82 crores)		
(c) The Company does not have any contracts where the period between the transfer of the promised goods to the customer and payment by the customer exceeds one year. Accordingly, the Company has not adjusted transaction prices for the time value of money.		
(d) Total revenue from operations (excluding excise duty) is as under :		
	Year ended March 31, 2022 Rs. Crores	Year ended March 31, 2021 Rs. Crores
- Total revenue from operations (excluding excise duty on a new product line)	<u>9,627.43</u>	<u>8,308.16</u>
20 Other income		
Interest income	36.72	28.19
Dividend income on investments measured at fair value through other comprehensive income	-	0.01
Rent [refer note 34 (ii)]	0.74	1.56
Miscellaneous income (refer note 48)	15.75	44.40
Other gains/(losses):		
- net gain/(loss) of financial assets mandatorily measured at fair value through profit or loss	10.61	8.20
- net gain on sale of liquid investments	19.65	6.23
- net gain/(loss) on sale of property, plant and equipment (including assets held for sale)	8.43	3.48
	<u>91.90</u>	<u>92.07</u>
21 Change in inventories of finished goods, stock-in-trade and work-in-progress (refer note 6)		
Closing stock	1,762.71	1,377.14
Add: Provision for sales return	7.79	9.17
Add/(Less): Translation difference transferred to foreign currency translation reserve	(4.20)	(1.23)
Adjusted Closing stock	<u>1,766.30</u>	<u>1,385.08</u>
Opening stock	1,385.08	1,763.83
Add: Stock transferred pursuant to acquisition of Joint venture (refer note 41)	4.33	-
Less: Stock transferred pursuant to sale of subsidiaries (refer note 55)	-	(7.71)
Adjusted opening stock	<u>1,389.41</u>	<u>1,756.12</u>
Decrease/(increase) in inventories	<u>(376.89)</u>	<u>(371.04)</u>
22 Employee benefits expense		
Salaries, wages, bonus, gratuity, commission, etc. ⁽ⁱ⁾	706.21	658.04
Expense on Employee stock purchase scheme ⁽ⁱⁱ⁾	5.51	3.07
Contribution to provident and other funds ⁽ⁱ⁾	44.20	41.19
Staff welfare expenses	27.37	30.35
	<u>783.29</u>	<u>732.65</u>

(i) refer note 32

(ii) refer note 38

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

	Year Ended March 31, 2022 Rs. Crores	Year Ended March 31, 2021 Rs. Crores
23 Finance costs		
Interest expense on financial liabilities measured at amortized cost	79.17	100.79
Other borrowing costs	4.58	4.22
Net loss on foreign currency transactions and translation	<u>18.05</u>	<u>19.59</u>
	101.80	124.60
Less: Amount included in the cost of qualifying assets ¹	<u>16.43</u>	<u>2.60</u>
	85.37	122.00
1 Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. The capitalization rate used to determine the amount of borrowing costs eligible for capitalization is 6.58% p.a. (2020-21: 5.86% p.a.)		
24 Depreciation and amortization expense		
Depreciation of property, plant and equipment	2.1 213.34	202.12
Depreciation of right of use assets (refer note 34)	2.1 19.73	21.11
Depreciation of investment property	2.2 0.03	0.10
Amortization of intangible assets	2.3 4.85	9.78
	<u>237.95</u>	<u>233.11</u>
25 Other expenses		
Consumption of stores and spare parts	337.72	278.13
Rent (refer note 34)	16.17	15.46
Repairs		
Buildings	24.36	19.23
Plant and machinery	76.38	66.01
Donation ¹	3.36	1.65
Insurance	26.02	22.26
Rates and taxes	5.07	4.19
Auditors' remuneration		
Audit fee	1.58	1.29
Tax audit	0.17	0.21
Limited reviews	0.68	0.58
Other certification services	0.45	0.54
Out-of-pocket expenses	-	0.08
Directors' fees	0.75	0.71
Bad debts and advances written off	0.55	1.03
Less: adjusted against provision for doubtful debts and advances	<u>-</u>	<u>(0.01)</u>
Provision for impairment in value of investments	-	0.73
Provision for credit impaired receivables	7.78	5.34
Provision for credit impaired loans and advances, other debts and deposits	0.25	32.63
Freight and transport	260.57	257.06
Commission to selling agents	18.25	22.42
Brokerage, discounts (other than trade discounts), etc.	0.15	0.04
Selling expenses	101.95	88.02
Exchange fluctuation costs/(gains)	(5.45)	(5.03)
Royalty	7.59	19.61
Loss/(gain) on valuation of assets held for sale	(4.06)	(5.05)
Corporate Social Responsibility ²	17.55	20.11
Miscellaneous expenses	178.93	151.60
	<u>1,076.77</u>	<u>998.84</u>
Less:- Cost of own manufactured goods capitalised/consumed	<u>(1.58)</u>	<u>(1.63)</u>
	1,075.19	997.21

1 refer note 50

2 refer note 36

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

	Year Ended March 31, 2022 Rs. Crores	Year Ended March 31, 2021 Rs. Crores
26 Tax expense (refer note 40)		
Current tax	488.12	174.28
Deferred Tax	13.76	40.99
Tax adjustments related to earlier years		
- Current tax	(3.64)	(7.65)
- Deferred tax	0.61	1.64
	<u>498.85</u>	<u>216.91</u>
27 Earnings per share		
Profits for the year attributable to equity holders of the Company (Rs. Crores)	1,067.35	673.28
Weighted average number of equity shares (Nos.)	15,59,42,296	15,59,42,296
Basic and Diluted earnings per share (face value Rs 2 per share)	68.45	43.17

	As at March 31, 2022	As at March 31, 2021
28. (i) Contingent liabilities not provided for*:		
(a) Claims (excluding claims by employees where amount not ascertainable) not acknowledged as debts:		
- Sales tax matters	0.04	0.04
- Additional premium on land	8.11	8.11
- Interest on cane purchases	64.01	64.01
- Others	6.19	5.63
Total	78.35	77.79

* timing of outflow, if any, cannot be ascertained as of now

(ii) Capital commitments (net of advances)	927.35	265.48
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29 In accordance with its accounting policy and past practice, the Company accrues revenue credits for urea subsidy claims pending notification/ final acceptance by 'Fertiliser Industry Coordination Committee' (FICC), Government of India, in pursuance of the Pricing Scheme administered for nitrogenous fertilisers. The total amount receivable on account of such claims as on March 31, 2022 is Rs 312.86 crores (Rs 8.15 crores on March 31, 2021).

Necessary adjustments to revenue credits so accrued will be made on issuance of notification by FICC, Government of India.

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

30 Segment reporting

A. Operating segments and principal activities:

Based on the guiding principles given in Ind AS- 108 'Operating segments', the Group's operating segments, based on products include: Fertilisers (manufacturing of urea), Chloro-Vinyl (manufacturing of poly-vinyl chloride, carbide and chlor alkali products), Shriram Farm solutions (trading of super phosphate, other fertilisers, seeds and pesticides), Sugar (manufacturing of sugar, ethanol, co-generation of Power and distillery), Bioseed (production of hybrid seeds), Others (Window systems, Cement, Rural retail and plaster of paris). Sale of power from the co-generation facilities set up for the operating segments is included in their respective results.

B. Geographical segments:

Since the Group's activities/ operations are primarily within the country and considering the nature of products/ services it deals in, the risks and returns are same and as such there is only one geographical segment.

C. Segment accounting policies:

In addition to the significant accounting policies applicable to the operating segments as set out in note 1.4, the accounting policies in relation to segment accounting are as under:

(i) Segment revenue and expenses:

Joint revenue and expenses of segments are allocated amongst them on a reasonable basis. All other segment revenue and expenses are directly attributable to the segments.

(ii) Segment assets and liabilities:

Segment assets include all operating assets used by a segment and consist principally of operating cash, trade receivables (net of allowances and provision), inventories and property, plant and equipments, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of trade payables. Segment assets and liabilities do not include deferred income taxes. While most of the assets/ liabilities can be directly attributed to individual segment, the carrying amount of certain assets/ liabilities pertaining to two or more segments are allocated to the segments on a reasonable basis.

(iii) Inter segment sales:

Inter segment sales between operating segments are accounted for at market price. These transactions are eliminated in consolidation.

D. Revenue from major products:

Revenue from major products is given in note 59

E. Geographical information:

(i) Revenue from external customers: The Group's revenue from external customers by location of operation are as under:

Particulars	Rs. Crores	
	This year	Previous year
- Within India	9,416.30	8,045.88
- Outside India	378.73	228.01
Total	9,795.03	8,273.89

(ii) Non-current assets other than financial instruments and deferred tax assets:

Particulars	Rs. Crores	
	March 31, 2022	March 31, 2021
- Within India	3,919.13	3,385.54
- Outside India	83.68	82.96
Total	3,902.81	3,468.50

F. Information about major customer

There is no single customer who contributed 10% or more of the Group's revenue during the year ended March 31, 2022 and March 31, 2021

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

G. Information about business segments

Rs. Crores

PARTICULARS	Chloro-Vinyl		Sugar		Shriram Farm Solutions		Bioseed		Fertiliser		Others		Elimination		Total	
	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year	This Year	Previous Year
1. REVENUE																
External sales (Gross)	3,504.67	1,971.95	2,674.88	3,377.70	947.11	857.07	385.39	434.59	1,394.86	897.43	958.12	735.15			9,795.03	8,273.89
Other Operating Income	17.77	11.03	20.75	6.83	1.75	1.17	4.07	6.90	2.14	3.25	7.90	5.09			54.38	34.27
Inter segment sales	94.02	32.26	-	-	-	-	16.52	22.69	-	-	1.66	0.93	112.20	55.88		
Total revenue	3,616.46	2,015.24	2,695.63	3,384.53	948.86	858.24	405.98	464.18	1327.00	900.68	967.68	741.17	112.20	55.88	9,849.41	8,308.16
2. RESULTS																
Segment results	1,266.63	518.42	322.71	428.93	134.64	109.16	(76.26)	4.43	76.47	59.08	54.55	40.27			1,778.74	1,160.29
Unallocated expenses (net of income)															128.39	149.12
Operating profit	1,266.63	518.42	322.71	428.93	134.34	109.16	(76.26)	4.43	76.47	59.08	54.55	40.27			1,650.35	1,011.17
Finance costs															85.37	122.00
Profit before tax															1,564.98	889.17
Provision for taxation																
- Current and deferred tax															501.88	215.27
- Tax adjustments related to earlier years															(3.03)	1.64
Net profit after tax															1,066.13	672.26
3. OTHER INFORMATION																
A. ASSETS																
Segment assets	2,401.24	1,814.78	3,465.59	3,087.54	184.38	125.05	579.32	604.54	711.02	345.67	434.60	312.17			7,776.15	6,289.75
Unallocated assets															1,594.74	1,500.96
Total assets	2,401.24	1,814.78	3,465.59	3,087.54	184.38	125.05	579.32	604.54	711.02	345.67	434.60	312.17			9,370.89	7,790.71
B. EQUITY AND LIABILITIES																
Equity															5,501.80	4,648.14
Segment liabilities	489.11	322.46	511.38	466.49	169.28	126.45	187.62	177.16	232.75	116.22	368.20	306.62			1,958.34	1,515.40
Secured and unsecured loans															1508.84	1,451.68
Unallocated liabilities															401.91	175.49
Total liabilities	489.11	322.46	511.38	466.49	169.28	126.45	187.62	177.16	232.75	116.22	368.20	306.62			9,370.89	7,790.71
C. OTHERS																
Capital expenditure	473.81	114.58	96.40	55.50	1.40	0.61	8.07	5.51	22.91	7.15	37.14	8.54			639.73	191.89
Unallocated capital expenditure															10.32	4.16
Depreciation and amortisation expense	101.25	94.95	77.41	74.23	1.13	0.70	6.59	6.69	10.62	11.48	19.34	17.31			216.34	205.36
Unallocated depreciation and amortisation expense															21.61	27.75
Non cash expenses other than depreciation	(2.56)	(0.94)	-	27.10	2.93	1.52	4.68	7.34	0.01	-	0.29	(2.84)			5.36	32.18
Unallocated non cash expenses other than depreciation															(0.84)	1.76

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

31 Related party disclosures

Name of related party and nature of related party relationship

1. Holding company: Sumant Investments Private Limited
2. Joint venture: Shriram Axial Private Limited (upto 18th October 2021) - refer note 41
3. Key Managerial Persons, their relatives and HUFs:
 - (i) Executive Directors and their relatives and HUFs (with whom transactions are there):
Mr. Ajay S. Shriram, Mr. Vikram S. Shriram, Mr. Ajit S. Shriram, Mr. K.K. Kaul, Mr. K.K. Sharma, Mr. Aditya A. Shriram (relative of Mr. Ajay S. Shriram), Mr. Anand A. Shriram (relative of Mr. Ajay S. Shriram), Mr. Pranav V. Shriram (relative of Mr. Vikram S. Shriram), Mr. Varun A. Shriram (relative of Mr. Ajit S. Shriram), Mrs. Anuradha Bishnoi (relative of Mr. Ajay S. Shriram), Mrs. Geeta Kaul (relative of Mr. K.K. Kaul), M/s. Ajay S. Shriram (HUF), M/s. Vikram S. Shriram (HUF), M/s. Ajit S. Shriram (HUF).
 - (ii) Independent Directors and their relatives (with whom transactions are there):
Mr. Pradeep Dinodia, Mr. Vimal Bhandari, Mr. Sunil Kant Munjal, Mrs. Ramni Nirula, Justice (Retd.) Mr. Vikramjit Sen, Mr. Pravesh Sharma, Mr. Sharad Shrivastva¹ (Nominee of LIC), Ms. Sarita Garg² (Nominee of LIC)
1 upto August 7, 2020
2 w.e.f. October 20, 2020
4. Trust : Sir Shriram Foundation, DCM Shriram Employees' Provident Fund Trust, DCM Shriram Officers' Superannuation Fund Trust
5. Subsidiaries incorporated under section 8 of Companies Act 2013: DCM Shriram Foundation, Shridhar Shriram Foundation

(a) Transactions with related parties:

Rs. Crores

S. No.	Nature of transaction	This year					Total	Previous year					Total
		Holding Company	Joint Venture	Subsidiaries	KMP's/Relatives	Trust		Holding Company	Joint Venture	Subsidiaries	KMP's/Relatives	Trust	
1	Sale of products	-	31.13	-	0.47	-	31.60	-	45.39	-	0.31	-	45.70
2	Common services expenses recovered	-	0.53	-	-	-	0.53	-	0.96	-	-	-	0.96
3	Supply of water, power and steam	-	0.08	-	-	-	0.08	-	0.12	-	-	-	0.12
4	Purchases of finished goods	-	-	-	-	-	-	-	0.17	-	-	-	0.17
5	Rent paid (includes goods and services tax)	-	-	-	4.28	-	4.28	-	-	-	4.82	-	4.82
6	Remuneration (including commission) ⁽ⁱ⁾	-	-	-	41.71	-	41.71	-	-	-	34.10	-	34.10
7	Sitting fees and commission	-	-	-	4.07	-	4.07	-	-	-	3.32	-	3.32
8	Dividend paid	124.13	-	-	4.06	-	128.19	50.00	-	-	2.12	-	52.12
9	Contribution to Provident fund trust	-	-	-	-	31.67	31.67	-	-	-	-	30.20	30.20
10	Contribution to Superannuation fund trust	-	-	-	-	8.24	8.24	-	-	-	-	8.25	8.25
11	Contribution for CSR activities	-	-	7.47	-	-	7.47	-	-	1.10	-	-	1.10

(b) Balance outstanding as at the year end

(unsecured unless otherwise stated)

Rs. Crores

S. No.	Nature of outstanding	This year					Total	Previous year					Total
		Holding Company	Joint Venture	Subsidiaries	KMP's/Relatives	Trust		Holding Company	Joint Venture	Subsidiaries	KMP's/Relatives	Trust	
1	Security deposits receivable	-	-	-	8.40	-	8.40	-	-	-	8.40	-	8.40
2	Loans and advances receivable	-	-	-	-	-	-	-	-	0.01	-	-	0.01
3	Trade receivable	-	-	-	-	-	-	-	10.89	-	-	-	10.89
4	Commission payable	-	-	-	23.51	-	23.51	-	-	-	19.69	-	19.69

The transactions with related parties are as per the terms of arrangement between the parties in the normal course of business and to be settled through receipt/payment or sale/purchase of goods or services.

- (i) Provision for incremental gratuity liability and leave encashment for the current year in respect of directors has not been considered above, since the provision is based on an actuarial basis for the Company as a whole.



Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

32. Employee Benefits

The Group has classified the various benefits provided to employees as under:-

(i) Defined contribution plans:

The Group has recognized the following amounts in the statement of profit and loss:

	Rs. Crores	
	This year	Previous year
Employers' contribution to provident fund*	32.09	30.35
Employers' contribution to superannuation fund	8.24	8.25
Employers' contribution to employees' state insurance corporation	0.31	0.34
Total	40.64	38.94

* There is no shortfall in the interest cost for which Company is liable as at the date of financial statement.

(ii) Disclosure in respect of Defined benefit obligation (Gratuity) is as under:

The principal assumptions used for the purpose of actuarial valuation were as under:

Particulars	Rs. Crores	
	As at March 31, 2022	As at March 31, 2021
Discount rate		
- DCM Shriram Limited	7.28%	6.90%
- Subsidiaries	7.25%	6.80% - 6.90%
Expected rate of salary increase	8.00%	8.00%
Mortality rate	IALM (2012-14) ultimate	IALM (2012-14) ultimate
Withdrawal rates:		
- Upto 30 years	3%	3%
- 31 to 44 years	2%	2%
- above 44 years	1%	1%
Retirement age	58/60 yrs	58/60 yrs

(a) Amount recognised in statement of profit and loss in respect of the defined benefit plan are as follows:

	Rs. Crores	
	This year	Previous year
Components of defined benefit costs recognised in statement of consolidated profit and loss*		
Current service cost	15.38	12.90
Net interest expense	9.65	9.43
Components of defined benefit costs recognised in profit and loss	25.03	22.33
Components of defined benefit costs recognised in other comprehensive income		
Actuarial (gain)/loss from changes in financial assumptions	(3.38)	(2.18)
Actuarial (gain)/loss arising from experience adjustments	2.59	(4.90)
Return on plan assets (higher)/lower than discount rate	0.04	0.02
Total actuarial (gain)/loss recognised in other comprehensive income	(0.75)	(7.06)
Total amount recognised in statement of consolidated profit and loss	24.28	15.27

* included in the salaries, wages, bonus, gratuity etc in note 22 "Employee Benefits expense".

(b) The amount included in the balance sheet arising from the Company's obligation in respect of its defined benefit obligation/plans is as follows:

	Rs. Crores	
	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligation	170.92	164.23
Fair value of plan assets	(8.26)	(7.37)
Net liability arising from defined benefit obligation	162.66	156.86
- Non-current liability	136.38	128.35
- Current liability	26.28	28.51

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

(c) Movements in the present value of defined benefit obligations are as follows:

	Rs. Crores	
	This year	Previous year
Opening defined benefit obligation	164.23	163.72
Current service cost	15.38	12.90
Interest cost	10.16	9.88
Remeasurement (gains)/losses:		
- Actuarial (gain)/loss from changes in financial assumptions	(3.38)	(2.18)
- Actuarial (gain)/loss arising from experience adjustments	2.59	(4.90)
Benefits paid by employer	(17.55)	(14.64)
Benefits paid from plan assets	(0.51)	(0.55)
Closing defined benefit obligations	170.92	164.23

(d) Movements in the fair value of plan assets are as follows:

	Rs. Crores	
	This year	Previous year
Opening fair value of plan assets	7.37	6.60
Expected return on plan assets	0.51	0.45
Employer contribution	0.92	0.89
Remeasurement gains/(losses):		
- Return on plan assets (higher)/lower than discount rate	(0.04)	(0.02)
Benefits paid	(0.50)	(0.55)
Closing fair value of plan assets	8.26	7.37

(e) Sensitivity analysis

	Rs. Crores	
	As at March 31, 2022	As at March 31, 2021
The Value of gross defined benefit obligation as mentioned above, in case of change in significant assumptions, would be as under :		
Discount rate		
(i) Discount rate -100 basis point	181.93	175.58
(ii) Discount rate +100 basis point	157.67	151.85
Salary increase rate		
(i) rate -100 basis point	158.74	152.90
(ii) rate +100 basis point	180.26	173.92

(f) Major categories of plan assets

The plan assets at one of the unit are maintained with LIC of India Gratuity Scheme. The details of investment maintained by LIC are not available and have therefore not been disclosed.

- (g) The Company expects to contribute Rs. 1.20 crores to the LIC fund during the year 2022-23 (previous year - Rs. 1.28 Crores).
- (h) The average expected future working life of members of the defined benefit obligation as at March 31, 2022 is 15.63 years (as at March 31, 2021: 15.73 years)
- (i) The maturity profile of defined benefit obligation is as follows:

	Rs. Crores	
	As at March 31, 2022	As at March 31, 2021
within 1 year	34.53	35.88
between 2-5 years	56.97	50.12
between 6-10 years	63.18	61.62

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

33. (a) Amount recognised in statement of profit and loss for investment properties

	Rs. Crores	
	This year	Previous year
Rental income	0.13	0.79
Income from investment properties before depreciation	0.13	0.79
Depreciation	0.03	0.10
Income from investment properties after depreciation	0.10	0.69

(b) Fair value

The fair value of the Group's investment properties as at March 31, 2022 and March 31, 2021 have been arrived at on the basis of a valuation carried out by government approved independent valuers. The inputs used in fair valuation are circle rate of the property, prevailing market price of the similar kind of property in that area and other relevant factors.

Information about the fair value of the Group's investment properties and fair value hierarchy are as follows:

	Rs. Crores	
	As at March 31, 2022	As at March 31, 2021
Fair value of the investment properties (Rs. Crores)	16.60	16.25
Fair valuation hierarchy	Level 3	Level 3

34 Disclosure of Ind AS 116 'Leases' :

(i) Assets taken on lease

(a) Amounts recognised in the statement of profit or loss

	Rs. Crores	
	This year	Previous year
Depreciation charge of right-of-use assets		
Buildings	19.47	20.77
Leasehold land	0.26	0.34
	19.73	21.11
Interest expense (included in finance cost)	5.62	8.20
Expense relating to short-term leases (included in Rent)	1.60	1.06
Total cash outflows for leases	23.18	22.51
Amount of lease commitments for short-term leases	1.10	0.85

(b) Carrying amount of right-of-use assets at the end of the reporting period by class of underlying asset:

	Rs. Crores	
	As at March 31, 2022	As at March 31, 2021
Building	62.56	66.10
Leasehold land	20.39	14.20
	82.95	80.30

(d) The Company's leasing activities:

The Company has entered into lease agreements for lease of land, offices, showrooms, godowns etc., generally for a period of 6 months to 11 years with renewal option and which can be terminated after lock-in-period by serving notice period as per the terms of the agreements.

(e) In applying IndAS 116, the Company has used the following practical expedients:

- elected not to assess whether a rent concession that meets the conditions in paragraph 46B is a lease modification.
- Rs 0.34 crores recognised as 'Other income' in statement of profit and loss for financial year ended March 31, 2022 to reflect reduction in lease payments that arise from rent concessions to which the Company has applied the practical expedient (2020-21 - Rs 0.50 crores)

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

(iii) Assets given on lease:

- (i) The Company has entered into operating lease arrangements for buildings (including certain other assets). The details of leased assets are as under:

	Gross Block as at		Accumulated depreciation as at		Depreciation for the year	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	This year	Previous year
	Land and building	13.31	13.31	1.53	1.32	0.21
Plant and equipment	0.15	0.15	0.11	0.10	0.01	0.03
Furniture and fixtures	0.16	0.16	0.12	0.12	-	-
Office equipments	0.01	0.01	-	-	-	-
	13.63	13.63	1.76	1.54	0.22	0.34

- (ii) Information w.r.t. non-cancellable leases:

	Rs. Crores	
	This year	Previous year
Future minimum lease rent receivables	9.18	9.65
- Not later than one year	0.47	0.47
- Later than one year and not Later than two years	0.51	0.47
- Later than two year and not Later than three years	0.52	0.51
- Later than three year and not Later than four years	0.52	0.52
- Later than four year and not Later than five years	0.52	0.52
- Later than five years	6.64	7.16

During the year Company has earned lease income of Rs 0.74 crores (2020-21: Rs 1.56 crores)

- 35 Provision for contingencies in note 14 represents provision for various contingencies resulting from issues relating to reconstruction arrangement of the companies and other uncertainties requiring management judgement.

Particulars	Rs. Crores	
	As at March 31, 2022	As at March 31, 2021
As at the beginning of the year	12.10	12.09
Less: Additions during the year	0.01	0.01
As at the end of the year	12.11	12.10

- 36 Expenditure on corporate social responsibility activities under section 135 of the Companies Act 2013 as under:

Particulars	Rs. Crores	
	This year	Previous year
Amount required to be spent	20.06	20.08
Actual expenditure	17.55	20.11
Unspent amount related to ongoing projects*	2.51	-

*Unspent amount relates to ongoing projects for which the activities are planned in subsequent years. As per section 135(6) of the Companies Act, the said unspent amount relating to ongoing projects have been deposited in "Unspent CSR Bank account".

Details of CSR projects/activity are as under:

CSR project or activity	This year	Previous year
Promoting health care including Preventive healthcare and Sanitation	6.35	2.80
Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare	2.02	1.45
Eradicating hunger, poverty and malnutrition, drinking water and rural development projects	2.60	1.22
Promoting education, livelihood and Empowering Women	2.09	2.09
Disaster management, including relief, rehabilitation and reconstruction activities	3.50	11.65
Overheads	0.99	0.90
Total	17.55	20.11

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

37 Research and development expenses included under relevant heads in the statement of profit and loss Rs. 54.22 crores (2020-21 - Rs. 45.32 crores).

38 Employee share based payments (refer note 12)

The Company has an Employees Stock Purchase Scheme (DCM Shriram ESPS) which is administered through DCM Shriram Employees Benefits Trust based on acquisition of shares from the market to provide equity based incentives to employees under the Scheme. The shares offered, lock-in-period and grant price may be different for different eligible participants and determined at the time of every grant of shares. The expenses related to the grant of shares under the Scheme is accounted for on the basis of the fair value (which equals to market price of the Company's share on date of grant less exercise price) of share on the date of grant and is amortized on a straight line basis over the lock-in period, if any.

The number and weighted average fair value of equity shares granted during the year are as under:

Particulars	Rs. Crores	
	This year	Previous year
No. of equity shares granted during the year	1,07,500	2,87,500
Weighted average fair value on the grant date (Rs per equity share)	938.82	364.67

39. Assets pledged as security

A. The carrying amount of assets pledged as security for borrowings are as under:

	Rs. Crores	
	As at March 31, 2022	As at March 31, 2021
Financial assets	2,584.06	1,998.04
Inventories	2,268.42	1,761.87
Property, Plant and Equipment and intangible assets (including capital work-in-progress)	3,610.35	3,202.68
Total	8,462.83	6,962.59

B. Nature of security and terms of repayment for secured borrowings

S. No.	Nature of Security	Terms of Repayment
Short term working capital borrowings from banks:		
Company		
1.	Loans from banks on cash credit account of Rs. Nil (March 31, 2021 - Rs. 0.72 Crores) are secured by first pari passu charge on whole of the current assets, both present and future, of the company (except Shriram Bioseed Genetics, Hyderabad & Bioseed Research India, Hyderabad). These loans are further secured by a third charge by way of mortgage/hypothecation of all the immovable/movable properties (other than current assets) of the Company's undertakings at Kota in Rajasthan and Ajbapur, Rupapur, Loni & Hariawan in Uttar Pradesh.	- Repayable on demand
2.	Short Term Loans of Rs. 325 Crores (March 31, 2021 - Rs. 100 Crores) are secured by first pari passu charge on whole of the current assets, both present and future, of the company (except Shriram Bioseed Genetics, Hyderabad & Bioseed Research India, Hyderabad). These loans are further secured by a third charge by way of mortgage/hypothecation of all the immovable/movable properties (other than current assets) of the Company's undertakings at Kota in Rajasthan and Ajbapur, Rupapur, Loni & Hariawan in Uttar Pradesh.	- Repayable on demand
3.	Short Term Loans of Rs. 78 Crores (March 31, 2021 - Rs. 99.50 Crores) is secured by first pari passu charge by way of hypothecation on book debts and stocks, both present and future of the Company's undertakings at Shriram Bioseed Genetics and Bioseed Research India, Hyderabad.	- Repayable as per terms of agreement upto May 05, 2022
Subsidiary (Shriram Polytech Limited) refer note 41		
1.	Loans from banks on cash credit account of Rs. 5.67 crores are secured by first pari passu charge on whole of the current assets, both present and future, of the company. These loans are further secured by a third charge by way of mortgage/hypothecation of all the immovable/movable properties (other than current assets) of the Company's undertakings at Kota in Rajasthan.	- Repayable on demand

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

Non convertible debentures (NCD):		
1.	7.05% NCD of Rs. 197.95 Crores (March 31, 2021- Rs. 197.55 Crores) is secured by way of first pari passu mortgage on immovable and movable Fixed Assets, both present and future and a second charge ranking pari passu on the current assets, both present and future, pertaining to the Company's Bharuch unit, Gujarat (Rs. 23.53 Crores due within 1 year; March 31, 2021 - Rs Nil)	- Repayable in 17 equal semi annual installments commencing from September 2022
Long term loans from banks:		
Company		
1.	Term loan of Rs. 159.35 Crores (March 31, 2021 - Rs. 214.84 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Ajbapur, Uttar Pradesh (Rs. 1.53 Crores due within 1 year; March 31, 2021 - Rs 4.23 Crores)	- Rs. 159.35 Crores repayable in 28 quarterly installments
2.	Term loans of Rs. Nil (March 31, 2021 - Rs. 126.26 Crores) are secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Kota, Rajasthan (Rs. Nil due within 1 year; March 31, 2021 - Rs 38.68 Crores)	Not applicable
3.	Term loans of Rs. 145.32 Crores (March 31, 2021 - 146.62 Crores) are secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Hariawan, Uttar Pradesh (Rs. 1.32 Crores due within 1 year; March 31, 2021 - Rs 1.32 Crores)	- Rs. 90.19 Crores repayable in 24 quarterly installments - Rs. 15 Crores repayable in 2 annual installment commencing from December, 2023 - Rs. 40.13 Crores repayable in 28 quarterly installments
4.	Term loan of Rs. 84.73 Crores (March 31, 2021 - Rs. 121.67 crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Ajabpur and Loni, Uttar Pradesh. (Rs. 40.35 Crores due within 1 year; March 31, 2021 - Rs 40.35 Crores)	- Repayable in 27 monthly installments.
5.	Term Loan of Rs 21 Crores (March 31, 2021 - Rs 21 Crores) is secured by way of First pari passu mortgage/charge created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Loni, Uttar Pradesh. (Rs.Nil due within 1 year; March 31, 2021 - Rs Nil)	- Repayable in 3 equal annual installments commencing from June 2023.
6.	Term loan of Rs. 141.53 Crores (March 31, 2021 - Rs. Nil) is secured by way of first pari passu mortgage/charge to be created on immovable and movable Fixed assets, both present and future, of the Company's undertakings at Kota, Rajasthan (Rs. Nil due within 1 year; March 31, 2021 - Rs Nil)	- Repayable in 12 equal annual installments commencing from June 2023.
Long term loans from others:		
Company		
1.	Term loan of Rs. Nil (March 31, 2021 - Rs. 102.03 Crores) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed Assets, both present and future and a second charge ranking pari passu on the current assets, both present and future, pertaining to the Company's Bharuch unit, Gujarat (Rs. Nil due within 1 year; March 31, 2021 - Rs 17.20 Crores)	Not applicable
2.	Term Loan of Rs 133.92 Crores (March 31, 2021 - Rs 144.03 Crores) is secured by way of First pari passu mortgage/charge created on immovable and movable Fixed Assets, both present and future and a second charge ranking pari passu on the current assets, both present and future, pertaining to the Company's unit at Hariawan, UP. (Rs 15.96 Crores due within 1 year; March 31, 2021 - Rs 15.39 Crores)	- Repayable in 17 equal semi annual installments



Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

Long term loans from others:		
Company		
3.	Term loan of Rs. 98.35 Crores (March 31, 2021 - Rs. Nil) is secured by way of first pari passu mortgage/charge created on immovable and movable Fixed Assets, both present and future and a second charge ranking pari passu on the current assets, both present and future, pertaining to the Company's Bharuch unit, Gujarat (Rs. 5.79 Crores due within 1 year; March 31, 2021 - Rs Nil)	- Repayable in 17 equal semi annual installments
4.	Term Loan of Rs. 24.43 Crores (March 31, 2021 - Rs. 30.86 Crores) is secured by way of a first pari passu charge on all immovable and movable properties both present and future, pertaining to the Company's Ajbapur Sugar Complex, Uttar Pradesh (Rs 7.40 Crores due within 1 year; March 31, 2021 - Rs 7.40 Crores)	- Repayable in 10 equal semi annual installments commencing after 3 years from respective drawdown
5.	Term loan of Rs. 0.92 Crores (March 31, 2021 - Rs. 1.25 Crores) from Department of Biotechnology, Government of India is secured against hypothecation of plant & machinery, machinery spares, tools and accessories acquired from the loan proceeds to Company's Bioseed Research India division. (Rs. 0.20 Crores due within 1 year; March 31, 2021 - Rs 0.34 Crores)	- Rs. 0.92 Crores repayable in 10 equal semi annual installments
6.	Term Loan of Rs. 20.52 Crores (March 31, 2021 - Rs. 33.58 Crores) is secured by way of a first pari passu charge on all immovable and movable properties both present and future, pertaining to the Company's Hariawan Sugar Complex, Uttar Pradesh (Rs. 14.25 Crores due within 1 year; March 31, 2021 - Rs 14.25 Crores)	- Repayable in 3 equal semi annual installments

C. Statements filed with Banks or Financial Institutions

Quarterly returns and statements filed by the Group with banks or financial institutions are in agreement with the books of accounts.

40. Income tax expense

	Rs. Crores	
	This year	Previous year
(a) Income tax expense		
Current tax		
Current tax on profits for the year	488.12	174.28
Adjustments for current tax of earlier years *	(3.64)	(7.65)
Total current tax expense	484.48	166.63
Deferred tax		
Deferred tax charge/(credit)	13.76	40.99
Adjustments for deferred tax of earlier years *	0.61	9.29
Total tax expense	498.85	216.91
(b) Reconciliation of tax expense and the accounting profit		
Profit before tax	1,564.98	889.17
Income tax expense calculated at 34.944%	546.87	310.71
Tax adjustment of earlier years	(3.03)	1.64
(i) Tax effect of:		
- Corporate social responsibility expenses not allowed as deduction	4.78	3.25
- Weighted deduction on research and development expenses	-	-
- Deduction under section 80-IA of the Income-tax Act, 1961	(41.49)	(103.05)
- deductible temporary differences on which no deferred tax is recognised	(0.02)	0.17
- different tax rates of subsidiaries operating in other jurisdiction	6.18	3.78
(ii) Others	(14.44)	0.41
Income tax expense	498.85	216.91
(c) Tax effect on unrecognised temporary differences relating to:		
(i) Unabsorbed business loss	3.73	28.87
(ii) Unabsorbed business depreciation	0.10	0.13
Total	3.83	29.00

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

(d) Deferred tax movements

Deferred tax assets/(liabilities) in relation to:

	Rs. Crores					
	Provision for gratuity and compensated absences	Provision for doubtful debts and advances	Depreciation	Others	MAT credit entitlement	Total
As at April 1, 2020	95.11	33.22	(499.66)	30.12	397.66	56.45
(Charged)/credited to:						
Profit or loss	4.18	12.56	(48.74)	(8.99)	(13.52)	(54.51)
Other comprehensive income	(2.41)	-	-	(1.27)	-	(3.68)
Adjustment related to earlier years *	(0.39)	-	(0.52)	(8.38)	8.27	(1.02)
As at March 31, 2021	96.49	45.78	(548.92)	11.48	392.41	(2.76)
(Charged)/credited to:						
Profit or loss	3.10	3.16	(13.18)	(6.84)	(210.94)	(224.70)
Pursuant to acquisition of joint venture	0.16	0.03	0.02	0.15	-	0.36
Other comprehensive income	0.31	-	-	4.81	-	4.50
Adjustment related to earlier years *	-	-	0.11	(0.72)	2.42	(1.81)
As at March 31, 2022	99.28	48.94	(561.99)	8.88	183.89	(220.79)

* Tax charge of earlier years finalised on filing of returns/completion of assessments with corresponding impact on MAT

41. Information with respect to a joint venture is as under (refer note 3.1):

(a) On October 19, 2021, the Company acquired 1,732,500 equity shares (entire 50% stake of JV Partner) of Shriram Axiall Private Limited (now Shriram Polytech Limited) from the JV Partner Axiall LLC USA, thereby making it a 100% subsidiary of the Company. Necessary disclosures pursuant to abovesaid acquisition is as under:

- (i) Cost of acquisition at which shares are acquired Rs 137.40 per share
- (ii) Acquisition-date fair value of the equity interest in the acquiree held by the acquirer immediately before the acquisition date Rs 27.40 crores
- (iii) Consolidated results for the year ended March 31, 2022 includes the following numbers of Shriram Polytech Limited since the acquisition date

Particulars	Rs. Crores
	For the period October 19, 2021 to March 31, 2022
Total revenue from operations	91.65
Profit after tax	2.49

(iv) Consolidated balance sheet as at March 31, 2022 includes the following number of Shriram Polytech Limited

Particulars	Rs. Crores
	As at March 31, 2022
ASSETS	
Non-current assets	
Property, plant and equipment	12.01
Intangible assets	0.02
Financial assets	
Loans	0.01
Other financial assets	0.08
Deferred tax assets (net)	0.84
Other non-current assets	0.25
Total non-current assets	13.21

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

Particulars	As at March 31, 2022
<u>Current assets</u>	
Inventories	21.74
Financial assets	
Trade receivables	54.08
Cash and cash equivalents	0.04
Other financial assets	0.02
Current tax assets (net)	0.11
Other current assets	2.88
Total current assets	78.87
Total assets	92.08
LIABILITIES	
<u>Non-current liabilities</u>	
Provisions	3.29
Total non-current liabilities	3.29
<u>Current liabilities</u>	
Financial liabilities	
Borrowings	5.67
Trade payables	24.14
Other financial liabilities	0.22
Provisions	1.03
Other current liabilities	0.36
Total current liabilities	31.42
Total liabilities	34.71

(b) Name of Joint Venture : Shriram Axiall Private Limited (upto 18th October 2021. Refer note 41(a) above)
Country of incorporation : India

Particulars	Rs. Crores	
	This year (upto 18th) October 2021)	Previous year
Share of profit before tax	1.64	2.46
Share of profit after tax	1.22	1.73
Share of other comprehensive income/(loss)	-	(0.07)
Share of total comprehensive income/(loss)	1.22	1.66
Ownership Interest	50%	50%

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

42 Financial instruments by category

The criteria for recognition of financial instruments is explained in significant accounting policies note 1.4 (k)

Rs. Crores

	As at March 31, 2022			As at March 31, 2021		
	Amortised cost*	FVTOCI	FVTPL	Amortised cost*	FVTOCI	FVTPL
Financial assets						
Investments						
- Equity instruments	-	2.80	0.09	-	3.86	0.08
- Government securities	0.06	-	-	0.06	-	-
Trade receivables	906.75	-	-	514.02	-	-
Loans	29.73	-	-	20.92	-	-
Cash and cash equivalents and bank balances	877.81	-	729.06	574.48	-	759.26
Derivative financial assets	-	-	2.29	-	-	6.95
Others	64.49	-	-	268.36	-	-
Total financial assets	1,878.84	2.80	731.44	1,377.84	3.86	766.29
Financial liabilities						
Borrowings	1,508.84	-	-	1,451.20	-	-
Lease liability	68.43	-	-	69.53	-	-
Trade payables	960.31	-	-	701.98	-	-
Derivative financial liabilities	-	-	8.32	-	1.32	1.85
Other financial liabilities	219.19	-	-	154.12	-	-
Total financial liabilities	2,756.77	-	8.32	2,376.83	1.32	1.85

* The fair value of non-current financial assets and financial liabilities carried at amortized cost is substantially same as their carrying amount.

43 Capital management

The Group endeavours to optimize debt and equity balance and provide adequate strength to the balance sheet. The Company monitors capital on the basis of debt equity ratio.

44 Financial risk management

The Group's activities expose it to various financial risks : Credit risk, Liquidity risk and Market risk.

44.1 Credit risk management

Credit risk arises from credit exposure to customers (including receivables and deposit), loans and other financial assets. The Group perform credit evaluation and defines credit limits for each customer/counter party. The Group also continuously reviews and monitors the same.

The provision for doubtful debts or provision for impairment of investments etc is made on case to case basis, based on the information related to financial position, past history/ageing and other relevant available information about the counterparty.

The Group also makes general provision for lifetime expected credit loss based on its previous experience of provision/write off in previous years.

The movement in the provision for doubtful debts and provision diminution in value of investments is as under:

Rs. Crores

Particulars	Trade receivables	Loans	Investments
Provision as at April 1, 2020	69.92	1.65	2.25
Provision made during the year 2020-21	5.34	-	-
Written off/(written back) during the year 2020-21	(0.14)	(0.91)	-
Provision reversed pursuant to sale of subsidiaries	(8.58)	-	-
Provision as at March 31, 2021	66.54	0.74	2.25
Provision made during the year 2021-22	7.78	-	-
Written off/(written back) during the year 2021-22	(0.02)	-	-
Provision acquired pursuant to acquisition of joint venture	2.19	-	-
Provision as at March 31, 2022	76.49	0.74	2.25

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

44.2 Liquidity risk management

- (i) The Group manages liquidity by ensuring control on its working capital which involves adjusting production levels and purchases to market demand and daily sales of production and low receivables. It also ensures adequate credit facilities sanctioned from bank to finance the peak estimated funds requirements. The working capital credit facilities are continuing facilities which are reviewed and renewed every year. The Group also ensures that the long term funds requirements are met through adequate availability of long term capital (Debt & Equity).

	Rs. Crores	
	As at March 31, 2022	As at March 31, 2021
Total Committed working capital limits from Banks	859.00	1,150.00
Utilized working capital limit	408.67	200.22
Unutilized working capital limit	450.33	949.78

(ii) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities. The amount disclosed in the table are the contractual undiscounted cash flow.

Contractual maturities of financial liabilities

	Rs. Crores			
	Upto 1 year	Between 1 year to 5 year	Over 5 years	Total
As at March 31, 2022				
Non-derivatives				
Borrowing *	148.83	550.49	410.25	1,109.57
Trade Payables	960.31	-	-	960.31
Lease liabilities	12.63	45.14	10.66	68.43
Other financial liabilities	219.14	0.05	-	219.19
Total non-derivative liabilities	1,340.91	595.68	420.91	2,357.50
Derivatives (net settled)				
Interest rate swap	-	-	-	-
Foreign exchange forward contracts	8.32	-	-	8.32
Total derivative liabilities	8.32	-	-	8.32
As at March 31, 2021				
Borrowing *	238.94	797.34	232.34	1,268.62
Trade Payables	701.98	-	-	701.98
Lease liabilities	17.29	46.82	5.42	69.53
Other financial liabilities	153.84	0.28	-	154.12
Total non-derivative liabilities	1,112.05	844.44	237.76	2,194.25
Derivatives (net settled)				
Interest rate swap	1.32	-	-	1.32
Foreign exchange forward contracts	1.85	-	-	1.85
Total derivative liabilities	3.17	-	-	3.17

* Excludes utilized working capital limited disclosed in note 44.2 (i)

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

(iii) Reconciliation for financial liabilities arising from financing activities as per Para 44A of IndAS 7.

Rs. Crores

Particulars	Long term borrowings	Short term borrowings	Interest accrued on borrowings	Lease liability
Closing balance as on April 1, 2020	1,078.88	1,071.35	18.05	130.39
Add: Additions during the year	201.62	-	58.03	2.30
Less: Repayments during the year	(94.69)	(796.13)*	(70.24)	(14.31)
Add/(Less): Foreign exchange fluctuation (gain)/loss	(15.38)	-	-	(0.08)
Less: Derecognition during the year	-	-	-	(48.77)
Add/(Less): Amortisation impact on borrowings	6.00	-	-	-
Closing balance as on March 31, 2021	1,176.43	275.22	5.84	69.53
Add: Additions during the year	239.18	168.45*	56.32	19.58
Less: Repayments during the year	(365.47)	-	(57.46)	(17.56)
Add/(Less): Foreign exchange fluctuation (gain)/loss	7.25	-	-	(0.08)
Less: Derecognition during the year	-	-	-	(3.04)
Add/(Less): Amortisation impact on borrowings	7.78	-	-	-
Closing balance as on March 31, 2022	1,065.17	443.67	4.70	68.43

* net movement during the year

44.3 Market Risk

a) The Company's operations are mainly in India and therefore rupee denominated, except the following:

- Foreign currency denominated loans (Long term & Short term)
- Imports of some raw material, stores & spares and capital equipments
- Export of finished goods

The Company follows a policy of keeping these liabilities/assets fully hedged against foreign currencies. Regarding interest rate fluctuation, it follows a policy of partial hedge.

Some of the rupee liabilities have interest linked to the bank's MCLR or Financial market benchmark rates and are subject to variation in such rates.

b) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate change at the end of the reporting period are as follows:

Rs. Crores

	As at March 31, 2022	As at March 31, 2021
Variable rate borrowings		
Long Term	536.41	376.92
Short Term	193.97	130.78
Total Variable rate borrowings	730.38	507.70
Fixed rate borrowings		
Long Term	414.93	635.25
Short Term	363.53	308.25
Total fixed Rate borrowings	778.46	943.50
Total Borrowings	1,508.84	1,451.20

c) Sensitivity

Variable interest rate loans are exposed to Interest rate risk, the impact on Profit or loss before tax may be as follows:

Rs. Crores

	Increase / (Decrease)	
	March 31, 2022	March 31, 2021
Interest rate- increase by 100 basis points (100 bps)*	(7.30)	(5.07)
Interest rate- decrease by 100 basis points (100 bps)*	7.30	5.07

* Holding all other variable constant

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2022

44.4 Impact of hedging activities

(a) Disclosure of effects of hedge accounting on financial position:

Rs. Crores

March 31, 2022									
Type of hedge and risks	Nominal value of hedged instruments#		Carrying amount of hedging instrument##		Maturity date	Hedge ratio	Weighted average strike price/rate	Gain(loss) in fair value of hedging instrument	Gain(loss) in the value of hedged item used as the basis for recognising hedge effectiveness
	Assets	Liabilities	Assets	Liabilities					
Cash Flow hedge									
Foreign exchange risk									
(i) Foreign exchange forward contracts	328.11	37.51	320.50	37.52	5-Apr-22 to 17-Feb-23	1:1	USD 75.74 EUR 84.73 JPY 0.66 CHF 81.85 GBP 100.18	(7.72)	(7.72)
Fair value hedge									
(i) Foreign exchange forward contracts	232.09	51.96	242.34	53.80	4-Apr-22 to 31-Jan-23	1:1	USD 69.64 EUR 87.37 SEK 8.46	8.34	8.34
March 31, 2021									
Cash Flow hedge									
Foreign exchange risk									
(i) Foreign exchange forward contracts	68.91	17.24	69.17	16.97	05-Apr-21 to 18-Jan-22	1:1	USD 73.17 EUR 86.69 JPY 0.71 CHF 81.22 GBP 100.18	0.53	0.53
Fair value hedge									
(i) Foreign exchange forward contracts	351.71	20.10	371.28	20.83	5-Apr-21 to 3-Nov-21	1:1	USD 69.64 EUR 87.37 SEK 8.46	18.83	18.83

Nominal value is the INR value of the instrument based on spot rate of the first hedge

Carrying value is the INR value of the instrument based on the spot rate of the reporting date

(b) Disclosure of effect of hedge accounting on financial performance

Movement in cash flow hedging reserve

Rs. Crores

Risk category Derivative instrument	Foreign currency risk	Interest rate risk	Total
	Foreign exchange forward contracts	Interest rate swaps	
Cash flow hedging reserve			
As at April 1, 2020	2.82	(5.88)	(3.06)
Add: Change in spot element of foreign exchange forward contracts	0.30	-	0.30
Add: Changes in fair value of interest rate swaps	-	3.84	3.84
Less: Amount reclassified to profit or loss under the heading 'Cost of materials consumed'	(0.47)	-	(0.47)
Less: Amount included in Property, plant and equipment	(0.17)	-	(0.17)
Less: Deferred tax relating to above (net)	(1.24)	-	(1.24)
As at March 31, 2021	1.24	(2.04)	(0.80)
Add: Change in spot element of foreign exchange forward contracts	(17.28)	-	(17.28)
Add: Changes in fair value of interest rate swaps	-	3.81	3.81
Less: Amount reclassified to profit or loss under the heading 'Cost of materials consumed'	(0.41)	-	(0.41)
Less: Amount included in Property, plant and equipment	0.14	-	0.14
Less: Deferred tax relating to above (net)	4.81	-	4.81
As at March 31, 2022	(11.50)	1.77	(9.73)

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

45 Fair value hierarchy (refer note 42)

Some of the Group's financial assets and financial liabilities are measured at fair value at the end of each reporting period. The following table presents fair value hierarchy of financial assets and financial liabilities measured at fair value on a recurring basis:

Rs. Crores				
Financial assets and liabilities measured at fair value	Level 1	Level 2	Level 3	Total
As at March 31, 2022				
Financial assets				
Financial investments in liquid mutual fund at FVTPL	729.06	-	-	729.06
Financial investments in quoted equity investments at FVTPL	0.09	-	-	0.09
Financial investments at FVTOCI				
- unquoted equity investments	-	-	1.85	1.85
- quoted equity investments	0.95	-	-	0.95
Interest rate swaps designated in hedge accounting relationship at FVTOCI	-	2.18	-	2.18
Other derivatives (foreign currency options) at FVTPL	-	0.11	-	0.11
Total financial assets	730.10	2.29	1.85	734.24
Financial liabilities				
Foreign currency forward contracts designated in hedge accounting relationship	8.32	-	-	-
Total financial liabilities	8.32	-	-	-
As at March 31, 2021				
Financial assets				
Financial investments in liquid mutual fund at FVTPL	759.26	-	-	759.26
Financial investments in quoted equity investments at FVTPL	0.08	-	-	0.08
Financial investments at FVTOCI				
- unquoted equity investments	-	-	1.85	1.85
- quoted equity investments	2.01	-	-	2.01
Other derivatives (foreign currency options) at FVTPL	-	6.95	-	6.95
Total financial assets	761.35	6.95	1.85	770.15
Financial liabilities				
Foreign currency forward contracts designated in hedge accounting relationship	1.85	-	-	1.85
Interest rate swaps designated in hedge accounting relationship	-	1.32	-	1.32
Total financial liabilities	1.85	1.32	-	3.17

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 inputs are unobservable inputs for the asset or liability

46. Asset classified as held for sale

The segment to which the 'assets held for sale' relates are as under:

Rs. Crores			
Particulars	As at		As at
	March 31, 2022	March 31, 2021	
- Sugar	1.07		0.40
- Bioseed	1.72		-
- Chloro Vinyl	6.46		10.98
- Shriram Farm Solutions	1.37		1.37
- Others (Hariyali Kisaan Bazaar)	24.40		50.98
- Unallocated	7.77		7.01
	42.79		70.74

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

Assets classified as held for sale is measured at the lower of the carrying amount and fair value less costs to sell at the reporting date. The fair value of the assets held for sale is determined using level 3 measurement as per the fair value hierarchy set out in fair value measurement disclosures.

Amounts recognised in the statement of profit and loss on assets held for sale is as under:

Particulars	Rs. Crores	
	This year	Previous year
Provision/(Reversal) for impairment in value of assets held for sale included in 'other expenses' in the statement of profit and loss	(4.06)	(5.05)
Profit (net) recognised in 'other income' in the statement of profit and loss on sale of assets held for sale	7.33	5.69

47. Based on the information available with the Company as at year end, the principal amount and interest due to Micro and small enterprises as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is Rs. 37.14 crores (March 31, 2021 - Rs. 28.07 crores) and Rs. Nil (March 31, 2021 Rs Nil) respectively.

48. Disclosures related to government grant

The government grant/government assistance recognized are as under:

Nature of Grant/assistance	Income/Expense head	Rs. Crores	
		This year	Previous year
Sugar			
Sugar export assistance	Sale of products	1.19	166.88
Sugar export assistance	Other operating revenue	8.70	-
Interest subsidy	Other income	6.03	19.44
Buffer stock subsidy	Other income	-	8.26
Benefit of loan at concessional rate of interest	Other income	5.55	7.19
Bioseed			
Benefit of loan at concessional rate of interest	Other income	0.01	0.02

49. Hon'ble High Court of Allahabad vide its order dated February 12, 2019 has set aside and quashed the notification withdrawing the Sugar Industrial Promotion Policy 2004 (Policy). The State Government has filed special leave petition (SLP) with Supreme Court against the above said order. The Company has not accrued the benefits consequent to the above said order due to uncertainties of the amount and the collection thereof.

50. Donation includes Rs. 3 crores (2020-21 - Rs. Nil) towards political contribution.

51.(i) Bioseed India Limited (a 100% subsidiary) has not been carrying any business. Ministry of Corporate Affairs (MCA) had given the approval on April 3, 2020 for change of status as 'Dormant Company'. Accordingly, the said subsidiary have been preparing its financial statements on liquidation basis of accounting. The total assets of Rs 0.04 crores (March 31, 2021 - Rs 0.04 crores) and total liabilities of Rs 0.01 crores (March 31, 2021 - Rs 0.01 crores) have been included in these consolidated financials based on its recoverable/payable amount. This matter has been emphasised by the subsidiary's statutory auditor in its audit report.

(ii) During the financial year 2019-20, the Govt of Himachal Pradesh (HP) cancelled the allotment of Chhatru Hydro project of the subsidiary company namely 'DCM Shriram Infrastructure Limited'. The HP High Court has appointed an arbitrator in the matter and the arbitration proceedings are in progress. As there are no other business activities in this subsidiary as of now, the current year's financials have been prepared on liquidation basis of accounting. The total assets of Rs 0.11 crores (March 31, 2021 - Rs 0.12 crores) and total liabilities of Rs 0.01 crores (March 31, 2021 - Rs 0.01 crores) have been included in these consolidated financials (net of elimination) based on its recoverable/payable amount. This matter has been emphasised by the subsidiary's statutory auditor in its audit report.

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

52. Disclosures related to shareholding of the promoters

Rs. Crores

Shares held by promoters at the end of the year		No. of Shares			% of total shares			% Change during	
S. No	Promoter name	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	As at March 31, 2022	As at March 31, 2021	As at March 31, 2020	FY 2021-22	FY 2020-21
1	SUMANT INVESTMENTS PRIVATE LIMITED	98,282,744	98,282,744	98,282,284	63.03%	63.03%	63.02%	-	0.01%
2	AJIT S. SHRIRAM	595,580	595,580	595,580	0.38%	0.38%	0.38%	-	-
3	AJAY S. SHRIRAM (HUF)	559,330	559,330	559,330	0.36%	0.36%	0.36%	-	-
4	VIKRAM S. SHRIRAM (HUF)	550,200	550,200	550,200	0.35%	0.35%	0.35%	-	-
5	VIKRAM S. SHRIRAM	503,310	503,310	503,310	0.32%	0.32%	0.32%	-	-
6	AJIT S. SHRIRAM (HUF)	500,000	500,000	500,000	0.32%	0.32%	0.32%	-	-
7	AJAY S. SHRIRAM	493,780	493,780	493,780	0.32%	0.32%	0.32%	-	-
8	TARA A. SHRIRAM	299,900	299,900	299,900	0.19%	0.19%	0.19%	-	-
9	ANAND A. SHRIRAM	298,070	298,070	298,070	0.19%	0.19%	0.19%	-	-
10	NAINIKA V. SHRIRAM	297,900	297,900	297,900	0.19%	0.19%	0.19%	-	-
11	ADITYA A. SHRIRAM	297,760	297,760	297,760	0.19%	0.19%	0.19%	-	-
12	PRANAV V. SHRIRAM	297,190	297,190	297,190	0.19%	0.19%	0.19%	-	-
13	VARUN A. SHRIRAM	296,900	296,900	296,900	0.19%	0.19%	0.19%	-	-
14	PRABHA SHRIDHAR	220,000	220,000	220,000	0.14%	0.14%	0.14%	-	-
15	KAVITA V. SHRIRAM	78,680	78,680	78,680	0.05%	0.05%	0.05%	-	-
16	VANDANA A. SHRIRAM	78,340	78,340	78,340	0.05%	0.05%	0.05%	-	-
17	RICHA A. SHRIRAM	34,900	34,900	34,900	0.02%	0.02%	0.02%	-	-
18	SHRIUDYOG MARKETING PVT.LTD.	-	-	460	0.00%	0.00%	0.00%	-	-
19	AMBIKA JAIPAL SINGH(Jointly with JAYANT JAIPAL SINGH)	34,350	16,500	16,500	0.02%	0.01%	0.01%	0.01%	-
20	CHARNI VINOD KUMAR	-	35,700	35,700	0.00%	0.02%	0.02%	(0.02%)	-
21	OM PRAKASH JHALANI(Jointly with ANOOP JHALANI AND PRADEEP JHALANI)	5,000	5,000	5,000	0.00%	0.00%	0.00%	-	-
22	KAUSHIK DEVA	13,000	13,000	13,000	0.01%	0.01%	0.01%	-	-
Total	103,736,934	103,754,784	103,754,784	66.49%	66.49%	66.49%			

53. The Scheme of amalgamation for merger of Bioseed Limited Mauritius with Shriram Bioseed Ventures Limited (wholly owned subsidiaries) has been approved by National Company Law Tribunal (NCLT) vide its order dated March 29, 2022 which became effective on April 27, 2022 on filing the certified copy of orders of NCLT in the office of Registrar of Companies.

54. The Board of Directors, in its meeting held on May 5, 2022, have recommended a final dividend of Rs. 4.90/- per equity share of Rs 2/- each aggregating to Rs. 76.41 crores for the financial year ended March 31, 2022. The recommendation is subject to the approval of shareholders at the forthcoming Annual General Meeting.

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

55. Statement showing ageing schedules pursuant to Schedule III of the Companies Act 2013

(a) Capital work in progress

(i) As at March 31, 2022

1. Ageing of Capital work in progress

Rs. Crores

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	385.87	57.88	10.47	-	454.22
Others	30.37	0.49	-	-	30.86
Total	416.24	58.37	10.47	-	485.08

2. Capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan:

Rs. Crores

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
120 MW Captive thermal power plant	321.04	-	-	-	-
850 TPD Caustic soda plant*	-	19.66	-	-	-
Total	321.04	19.66	-	-	-

(b) Ageing of Intangible assets under development

Rs. Crores

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3.74	0.48	5.02	-	9.24
Total	3.74	0.48	5.02	-	9.24

(a) Capital work in progress

(i) As at March 31, 2021

1. Ageing of Capital work in progress

Rs. Crores

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	58.97	7.38	-	-	66.35
Projects which are temporarily suspended	5.52	6.42	-	-	11.94
Others	21.20	2.38	1.08	0.27	24.93
Total	85.69	16.18	1.08	0.27	103.22

2. Capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan:

Rs. Crores

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress					
120 MW Captive thermal power plant	59.71	-	-	-	-
Projects which are temporarily suspended					
700 TPD Caustic soda plant*	-	11.94	-	-	-
Total	59.71	11.94	-	-	-

(b) Ageing of Intangible assets under development

Rs. Crores

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.75	5.02	-	-	5.77
Total	0.75	5.02	-	-	5.77

* Project resumed in 2021-22 with increased capacity from 700 TPD to 850 TPD

Notes to the Consolidated Financial Statements

For The Year Ended March 31, 2022

56 Statement showing ageing schedules pursuant to Schedule III of the Companies Act 2013

(a) Trade payables ageing schedule

(i) As at March 31, 2022

Rs. Crores

Particulars	Not due*	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) total outstanding dues of micro enterprises and small enterprises	37.14	-	-	-	-	37.14
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	369.77	532.13	8.43	4.38	8.46	923.17

* includes unbilled dues

(ii) As at March 31, 2021

Rs. Crores

Particulars	Not due*	Outstanding for following periods from due date of payment				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) total outstanding dues of micro enterprises and small enterprises	28.07	-	-	-	-	28.07
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	301.89	350.12	7.92	3.99	9.99	673.91

* includes unbilled dues

(b) Trade receivables ageing schedule

(i) As at March 31, 2022

Rs. Crores

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 month	6 month -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables							
- considered good	157.29	525.56	147.84	52.86	2.13	3.64	889.32
- credit impaired	-	0.15	0.87	3.03	15.44	45.70	65.19
(ii) Disputed Trade Receivables							
- considered good	0.14	0.24	0.27	0.35	0.24	0.11	1.35
- credit impaired	-	0.42	0.13	0.40	2.13	8.22	11.30
(iii) Unbilled revenue							16.08
Less: Provision for credit impaired receivables							(76.49)
Total							906.75

(ii) As at March 31, 2021

Rs. Crores

Particulars	Not due	Outstanding for following periods from due date of payment					Total
		Less than 6 month	6 month -1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables							
- considered good	112.74	311.25	23.04	6.94	3.78	3.59	461.34
- credit impaired	-	0.26	0.26	11.60	6.43	38.94	57.49
(ii) Disputed Trade Receivables							
- considered good	0.01	0.05	0.29	1.46	0.22	0.09	2.12
- credit impaired	-	0.10	-	0.25	0.94	7.76	9.05
(iii) Unbilled revenue							50.56
Less: Provision for credit impaired receivables							(66.54)
Total							514.02



Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

57. Statement containing salient features, pursuant to Schedule III of the Companies Act 2013, of subsidiaries and joint ventures as per standalone financial statements of each entity for:

(i) financial year ended March 31, 2022

Rs. Crores

Name of the entity in the Group	Country of incorporation	% of voting power	Net Assets (before adjustment of intercompany eliminations)		Share in Profit / (loss) (before adjustment of intercompany eliminations)		Share in other comprehensive income (before adjustment of intercompany eliminations)		Share in total comprehensive income (before adjustment of intercompany eliminations)	
			As % of consolidated net assets	Amount (Rs. Crores)	As % of consolidated profit / (loss)	Amount (Rs. Crores)	As % of consolidated other comprehensive income	Amount (Rs. Crores)	As % of consolidated total comprehensive income	Amount (Rs. Crores)
Parent										
DCM Shriram Limited			100.44%	5,526.09	98.26%	1,048.75	82.45%	(8.41)	98.41%	1,040.34
Subsidiaries										
Indian										
DCM Shriram Credit and Investments Limited	India	100%	0.09%	5.15	0.02%	0.21	(2.55%)	0.26	0.04%	0.47
Bioseed India Limited	India	100%	0.00%	0.03	0.00%	(0.01)	-	-	(0.00%)	(0.01)
DCM Shriram Infrastructure Limited	India	100%	(0.58%)	(32.15)	(0.01%)	(0.09)	-	-	(0.01%)	(0.09)
Fenesta India Limited	India	100%	0.00%	0.07	0.00%	0.02	-	-	0.00%	0.02
Hariyali Rural Ventures Limited	India	100%	(0.00%)	(0.02)	0.00%	-	-	-	-	-
DCM Shriram Aqua Foods Limited	India	100%	0.06%	3.29	0.00%	(0.02)	-	-	0.00%	(0.02)
Shriram Bioseed Ventures Limited *	India	100%	(0.75%)	(41.38)	(0.51%)	(5.47)	-	-	(0.52%)	(5.47)
Shriram Polytech Limited **	India	100%	1.04%	57.37	0.23%	2.49	(0.88%)	0.09	0.24%	2.58
Foreign										
Bioseed Holdings PTE Limited	Singapore	100%	(2.68%)	(147.71)	(0.90%)	(9.65)	-	-	(0.91%)	(9.65)
Bioseed Research Philippines Inc.	Philippines	100%	0.96%	52.97	1.84%	19.66	1.57%	(0.16)	1.84%	19.50
Bioseed Research USA Inc.	USA	100%	0.00%	-	(0.00%)	(0.02)	-	-	(0.19%)	(0.02)
Joint Venture (Indian)										
Shriram Axiall Private Limited **	India	50%	0.00%	-	0.11%	1.22	0.00%	-	0.12%	1.22
Total				5,423.71		1,057.09		(8.22)		1,048.87
Add/(less): consolidation adjustments				78.09		10.26		(1.98)		8.28
Total after consolidation adjustments				5,501.80		1,067.35		(10.20)		1,057.15

* Refer note 53

** Refer note 41

(ii) financial year ended March 31, 2021

Rs. Crores

Name of the entity in the Group	Country of incorporation	% of voting power	Net Assets (before adjustment of intercompany eliminations)		Share in Profit / (loss) (before adjustment of intercompany eliminations)		Share in other comprehensive income (before adjustment of intercompany eliminations)		Share in total comprehensive income (before adjustment of intercompany eliminations)	
			As % of consolidated net assets	Amount (Rs. Crores)	As % of consolidated profit / (loss)	Amount (Rs. Crores)	As % of consolidated other comprehensive income	Amount (Rs. Crores)	As % of consolidated total comprehensive income	Amount (Rs. Crores)
Parent										
DCM Shriram Limited			100.96%	4,692.82	98.29%	662.48	155.81%	6.84	98.66%	669.32
Subsidiaries										
Indian										
DCM Shriram Credit and Investments Limited	India	100%	0.10%	4.68	0.03%	0.22	20.50%	0.90	0.17%	1.12
Bioseed India Limited	India	100%	0.00%	0.04	0.00%	(0.01)	-	-	(0.00%)	(0.01)
DCM Shriram Infrastructure Limited	India	100%	(0.69%)	(32.06)	(0.01%)	(0.10)	-	-	(0.01%)	(0.10)
Fenesta India Limited	India	100%	0.00%	0.05	(0.04%)	(0.30)	0.23%	0.01	(0.04%)	(0.29)
Shri Ganpati Fertilizers Limited	India	81.41%	0.00%	-	0.57%	3.82	0.00%	-	0.56%	3.82
Hariyali Rural Ventures Limited	India	100%	(0.00%)	(0.02)	0.00%	-	-	-	0.00%	-
DCM Shriram Aqua Foods Limited	India	100%	0.07%	3.31	0.01%	0.04	-	-	0.01%	0.04
Shriram Bioseed Ventures Limited	India	100%	0.46%	21.20	(0.21%)	(1.43)	-	-	(0.21%)	(1.43)
Foreign										
Bioseeds Limited	Mauritius	100%	(0.10%)	(4.88)	(0.92%)	(6.17)	-	-	(0.91%)	(6.17)
Bioseed Holdings PTE Limited	Singapore	100%	(2.86%)	(133.02)	(1.91%)	(12.86)	-	-	(1.90%)	(12.86)
Bioseed Research Philippines Inc.	Philippines	100%	0.75%	34.86	1.30%	8.77	2.73%	0.12	1.31%	8.89
Bioseed Vietnam Limited	Vietnam	100%	-	-	(0.53%)	(3.55)	4.56%	0.20	(0.49%)	(3.35)
Shriram Bioseed (Thailand) Limited	Thailand	99.99%	0.00%	0.02	-	-	-	-	-	-
Bioseed Research USA Inc.	USA	100%	0.00%	0.01	(0.00%)	(0.02)	-	-	(0.29%)	(0.02)
Minority Interest										
Joint Venture (Indian)										
Shriram Axiall Private Limited	India	50%	0.56%	26.19	0.26%	1.73	(1.59%)	(0.07)	0.24%	1.66
Total				4,613.20		653.33		8.00		661.33
Add/(less): consolidation adjustments				34.94		20.66		(3.61)		17.05
Total after consolidation adjustments				4,648.14		673.99		4.39		678.38

Notes to the Consolidated Financial Statements For The Year Ended March 31, 2022

58. Reclassifications consequent to amendments to Schedule III

The Ministry of Corporate Affairs amended the Schedule III to the Companies Act, 2013 on March 24, 2021 to include certain additional disclosures or to improve relevance of information effective from April 1, 2021.

Accordingly, the Company has reclassified comparative amounts to conform with current year presentation as per the requirements of Ind AS 1 as under:

Balance sheet (extract)	Current year classification	Previous year classification	Rs. Crores
Lease liability	Financial liabilities	Other financial liabilities	69.53
Current maturities of long term debt - banks	Short term borrowings	Other financial liabilities	84.58
Current maturities of long term debt - others	Short term borrowings	Other financial liabilities	79.23
Unbilled revenue	Trade receivables	Other current assets	50.56

59. Particulars of sales of products

Rs. Crores

Description	Sales	
	2021-22	2020-21
Urea	1,324.73	895.53
PVC resins	913.23	606.02
Caustic soda	2,170.22	951.92
Marketable Calcium carbide	179.42	77.50
Seeds	920.55	907.14
Cement	172.73	165.00
Sugar	1,612.06	2,573.46
Ethanol	677.28	649.84
Unplasticized polyvinyl chloride (UPVC) windows	520.58	356.03
Power Sale	95.62	114.14
Petrol / Diesel	159.20	201.97
Other sales/stocks and adjustments	1,049.41	775.34
Total	9,795.03	8,273.89

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

For and on behalf of the Board of Directors

Abhishek Rara
 Partner
 Membership No. 077779
 Place: Gurugram
 Date: May 5, 2022

Sameet Gambhir
 Company Secretary
 Place: New Delhi

Amit Agarwal
 Chief Financial Officer
 Place: New Delhi

Pradeep Dinodia
 Director
 DIN: 00027995
 Place: New Delhi

Ajay S. Shriram
 Chairman & Sr. Managing Director
 DIN: 00027137
 Place: New Delhi

Notice

Notice is hereby given that the Thirty-third (33rd) Annual General Meeting (AGM) of the Members of DCM Shriram Ltd. ("the Company") will be held on Tuesday, the 19th July, 2022 at 12:00 Noon through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") without the physical presence of Members at a common venue, to transact the following business:

Ordinary Business:

1. To consider and adopt:

(a) the audited financial statements of the Company for the financial year ended 31st March, 2022, the reports of the Board of Directors and Auditors thereon; and

(b) the audited consolidated financial statements of the Company for the financial year ended 31st March, 2022 and the report of the auditors thereon.

2. To declare a final dividend and to note the payment of interim dividend of Rs. 9.80 per equity share already paid during financial year 2021-22.

3. To appoint a Director in place of Mr. K.K. Kaul (DIN : 00980318), who retires by rotation and being eligible, offers himself for re-appointment.

4. To appoint a Director in place of Ms. Sarita Garg (DIN : 08926869), who retires by rotation and being eligible, offers herself for re-appointment.

5. To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and any other applicable law(s), rule(s), regulation(s), guidelines(s) and subject to any other approval(s), consent(s) or permission(s) as may be required, M/s Deloitte Haskins & Sells, Delhi, a firm of Chartered Accountants (FRN: 015125N), be and is hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of 38th Annual General Meeting, at such remuneration and on such other terms & conditions of appointment as shall be fixed and agreed by and between the said firm and the Board of Directors / a Committee of Board/ any other delegate.

RESOLVED FURTHER THAT the Board of Directors or any Committee thereof or its other delegate(s) be and are hereby authorized to do all such acts, deeds and things as may be deemed appropriate in this connection."

Special Business:

6. To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and any other applicable law, the remuneration payable/paid to the Cost Auditors appointed by the Board of Directors of the Company, to conduct the audit of the cost accounting records of the Company for the financial year 2021-22, as detailed in the Explanatory Statement to this item in this Notice, be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors or Committee thereof or its other delegate be and are hereby authorized to do all such acts, deeds and things as may be deemed appropriate in this connection."

7. To consider and, if thought fit, to pass the following Resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meeting of Board and its Power) Rules, 2014 and any other Rules as applicable (including any Statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Members be and is hereby accorded to the revision, w.e.f. 01.04.2022, in the **maximum limit** of remuneration for Mr. Varun A. Shriram, a relative of Mr. Ajit S. Shriram, Joint Managing Director of the Company, up-to Rs. 5.00 (five) lakhs per month including salary, perquisites (evaluated as per Income Tax Rules, wherever applicable, and at actual cost to the Company in other cases), ex-gratia/rewards and all other benefits as applicable to the officers in his cadre, with an authority to the Board of Directors or a Committee thereof to fix and revise his remuneration within the aforesaid limit, to promote him to a higher grade and/or change in designation, from time to time, as it may consider suitable without requiring any further Resolution or consent of or reference to the Members.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof or its other delegate, be and are hereby authorised to take all necessary steps and actions, which are incidental and consequential to give effect to the above Resolution."

8. To consider and, if thought fit, to pass, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and any other applicable provisions of the Companies Act, 2013 ("the Act") and the Rules made thereunder read with Schedule V of the Act (including any statutory modification or re-enactment thereof) and subject to such other consent(s), approval(s) or permission(s), as may be necessary, the consent of the Members be and is hereby accorded to the re-appointment of Mr. K.K. Sharma, Whole Time Director – EHS (DIN : 07951296) on the terms and conditions including the remuneration as set out hereunder:

Terms & Conditions of appointment

1. Tenure:- Five years w.e.f. 20.11.2022

2. Remuneration

(a) Salary:-

Rs. 3.83 Lakhs per month presently. Increments will be as decided by the Board and/or Committee thereof from time to time.

(b) Perquisites:-

Perquisites (evaluated as per Income Tax Rules, wherever applicable, and at actual cost to the Company in other cases) like the benefit of the Company's furnished accommodation or house rent in lieu thereof, gas, electricity, water and furnishings, club fees, personal accident insurance, use of Company's car and telephone at residence, medical reimbursement, leave and leave travel concession, education benefits, ex-gratia/reward and any other benefits provided to the employee(s) of the Company from time to time, including but not limited to entitlements on account of any subsisting or future long term incentive plans, provident fund, superannuation fund and gratuity in accordance with the scheme(s) and rule(s) applicable to the members of the staff of the Company from time to time, in respect of any of such benefits.

(c) Commission on net profits:-

Such amount as may be decided by the Board of Directors or a Committee thereof from year to year provided that the total remuneration including salary and perquisites along with commission paid to all the Managing/Whole Time Directors of the Company shall not exceed the limit laid down under Sections 197 and 198 of the Companies Act, 2013 and other applicable provisions.

(d) Remuneration for a part of the Year:-

Remuneration for a part of the year shall be computed on pro-rata basis.

(e) Minimum Remuneration:-

In the event of absence or inadequacy of profits in any financial year, the aforementioned remuneration excluding commission shall be paid to Whole Time Director (EHS) as the minimum remuneration, subject to the provisions of the Schedule V of the Act and/or any other necessary approvals, if any.

3. Functions:-

Mr. K.K. Sharma shall discharge such duties and functions as may be assigned to him by Managing Director(s) from time to time.

4. Sitting Fee:-

If permissible by law, he shall be entitled to sitting fee in addition to the components of remuneration mentioned above for attending meeting(s) of the Board of Directors or Committees thereof.

5. Termination:-

The appointment of Mr. K.K. Sharma may be terminated by either party giving to the other three calendar months' notice in writing.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof be and is hereby authorized to vary or modify any of the above terms & conditions including alter, vary or increase the salary, grade, designation and other remuneration, notwithstanding the same shall exceed the overall remuneration set out as above or as may be prescribed/permissible provided however that the same is within the limits laid down in the applicable provision(s) / schedule(s) / rule(s) then subsisting, without requiring any further resolution or consent of or reference to the Members and to take all necessary steps, actions, which are incidental and consequential to give effect to the above Resolution."

New Delhi

Date:- 17.05.2022

By Order of the Board

Sameet Gambhir

Company Secretary

Membership No.: F4658

Notes:

- In view of the outbreak of the COVID-19 pandemic, social distancing norms to be followed and accordingly pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020, Circular No. 02/2021 dated January 13, 2021, General Circular No. 02/2022 dated May 05, 2022 and all other relevant circulars, notifications, guidelines issued in this regard from time to time by the Ministry of Corporate Affairs, Government of India (MCA), the physical attendance of the Members at the AGM venue is not required as this AGM is being held through video conferencing (VC) or other audio visual means (OAVM). Hence, the Members are requested to attend and participate in the AGM through VC/OAVM. The deemed venue for this 33rd AGM shall be the Registered Office of the Company.
- In Compliance with the aforesaid MCA Circulars and SEBI Circular dated May 13, 2022, this Notice along with explanatory statement, *inter-alia* explaining the manner of attending this AGM through VC/OAVM and the instructions for electronic voting (e-voting), along with the Annual Report for the FY'2021-22 is being sent **only** through electronic mode to those members whose e-mail addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report will also be available on Company's website www.dcmshriram.com, website of the stock exchanges i.e. BSE Limited and National Stock Exchange of India at www.bseindia.com and www.nseindia.com respectively, on the website of NSDL at

www.evoting.nsdl.com and also at the website of Company's RTA at <https://www.mcsregistrars.com>. Any Member/s requiring the hard copy of Annual Report may kindly send an email from the registered email id at shares@dcmshriram.com or send a duly signed request in original at the registered office of the Company mentioned above.

3. Members, who are holding shares in physical/electronic form but their e-mail addresses are not registered with the Company/their respective Depository Participants, are requested to register their e-mail addresses at the earliest by sending to the Company/RTA, the scanned copy of a duly signed letter by the Member(s) mentioning their name, complete address, folio number, number of shares held, along with self-attested scanned copy of the PAN Card and self-attested scanned copy of any one of the following documents viz., Aadhar Card, Driving Licence, Election Card, Passport, utility bill or any other Govt. document in support of the proof of address of the Member as registered with the Company, by email at shares@dcmshriram.com and/or at admin@mcsregistrars.com, for receiving the soft copies of Annual Report for the FY'2021-22 and the Notice of 33rd AGM. However, please note that the updation/registration of email addresses on the basis of the above scanned documents will be only for the purpose of sending the soft copies of Notice of 33rd AGM and the Annual Report for 2021-22 and thereafter shall be disabled from the records of the RTA immediately after the 33rd AGM unless the hard copy of request letter along with the physical self attested copies of the aforesaid documents are received by the Company/RTA for updating the email addresses for future also. Members holding shares in demat form can update their email address with their Depository Participants.
4. The relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
5. Since this AGM will be held through VC/OAVM and the physical presence of the Members has been dispensed with, the facility for appointment of Proxies by the Members is therefore not available and hence the Proxy Form and the Attendance Slip are not annexed to this notice. However, the Body Corporate shareholders are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and cast the votes through e-voting.
6. Institutional/ Body Corporate Shareholders (i.e. other than individuals/HUF, NRI etc.) are required to send a scanned copy (PDF/JPG Format) of its Board of Directors' / Governing Body's resolution/authorisation etc, authorising its representative to attend the AGM through VC/OAVM on its behalf and to vote through e-voting. The said resolution/authorization shall be sent in advance to the scrutinizer by e-mail through its registered e-mail address at sanjaygrover7@gmail.com/ contact@csssanjaygrover.in with a copy marked to shares@dcmshriram.com.
7. In terms of the notification issued by the Securities and Exchange Board of India (SEBI), Equity Shares of the Company are under compulsory demat trading by all investors w.e.f. 21st March, 2000. Members are, therefore, advised to dematerialize their shareholding to avoid inconvenience of trading in the shares of the Company.
8. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. Since the AGM will be held through VC/OAVM, without the physical presence of Members at a common venue, the route map is not annexed to this Notice.
10. Members may note that the Board of Directors, in its meeting held on May 05, 2022 has recommended a final dividend of Rs. 4.90 per share. The record date for the purpose of final dividend is July 08, 2022. The final dividend, if declared by the members in this AGM, will be paid within 30 days from the date of AGM, electronically through various online transfer modes to those members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be sent out at their registered addresses.
11. Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of shareholders with effect from April 01, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. The TDS rate may vary depending on the residential status of the shareholder and the documents submitted to the Company in accordance with the provisions of the Act. Please note that the final dividend for the FY'2021-22 is subject to declaration by Members in this AGM and If declared this dividend will be taxable in your hands in the FY'2022-23 (Assessment Year 2023-24). Thus, all the details and declarations furnished should pertain to FY'2022-23 (Assessment Year 2023-24). The rate of TDS for various categories of shareholders along with required documents are available at the website of the company at <https://www.dcmshriram.com/Communication-of-TDS-on-Dividend.html>
Kindly note that the aforesaid documents, duly executed, are required to be sent either through email at shares@dcmshriram.com or directly send the original to the Company at its registered office at 2nd Floor (West Wing), Worldmark-1, Aerocity, New Delhi – 110037 on or before 08 July, 2022 in order to enable the Company to determine and deduct appropriate TDS/withholding tax. Members sending documents through email are required to send the original documents later to the Company at its registered office address.
12. Members holding shares in physical form, are requested to intimate their change in Bank Mandate/National Electronic Clearing Service (NECS) details (form can be downloaded from the website of the Company i.e. www.dcmshriram.com), and /or, update their PAN and Bank Account details through a request letter along with self attested copy of PAN, original cancelled cheque with preprinted name of the Shareholder (old and new both bank details) and bank attested copy of passbook/statement showing name of the account holder to M/s. MCS Share Transfer Agent Ltd., (Company's RTA) at their address at F-65, 1st Floor, Okhla Industrial Area, New Delhi-110020. Beneficial owners holding shares in electronic form are requested to intimate their change in Bank Mandate/NECS details, if any, to their respective Depository Participants (DPs) in order to get the same registered.
13. Members who are holding shares in physical form in more than one folio are requested to write to RTA enclosing their Share Certificate(s) to enable the Company to consolidate their holding into one folio.

14. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/ HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021. The aforesaid communication is also intimated to the stock exchanges and available on the website of the Company. Attention of the Members holding shares of the Company in physical form is invited to go through the said important communication under the weblink at <https://www.dcmshriram.com/Updation-of-KYC-as-Directed-by-SEBI>
15. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate, Endorsement, Sub-division/ Splitting of securities certificate, Consolidation of securities certificates/ folios, Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled in and signed Form ISR – 4, the format of which is available on the Company's website under the weblink at <https://www.dcmshriram.com/Communication%20to%20Shareholder.pdf>
- Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI.
16. In view of the provisions of Section 124 and other applicable provisions of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (“the Rules”) as amended from time to time, the Company has, during the Financial Year 2021-22, transferred the unpaid final dividend for the FY 2013-14 & unpaid Interim dividend for the FY 2014-15 to the Investor Education and Protection Fund (IEPF). The Company has also uploaded the details of unpaid and unclaimed dividend amounts lying as on date with the Company on the website of the Company (www.dcmshriram.com). Shareholders who have not yet encashed their Dividend for the financial year 2014-15 - final dividend onwards, are requested to write to the Company immediately as the said unclaimed dividend shall be transferred to IEPF on the date completion of 7 years from the date of transfer of said unpaid/ unclaimed dividend to the Unpaid Dividend Account by the Company.
- Further, according to the above mentioned Rules, 55,703 Equity Shares in respect of which dividends have not been paid or claimed by the shareholders for a period of seven consecutive years have been transferred to a Demat Account of the Investor Education and Protection Fund (IEPF) Authority during the FY 2021-22.
17. The above details have also been uploaded on the website of the IEPF authority i.e www.iepf.gov.in. Members may also note that dividend as well as shares transferred to IEPF Authority can be claimed back as per the procedure prescribed.
18. In terms of Section 72 of the Companies Act, 2013 and related Rules thereunder, Member(s) of the Company may nominate a person to whom the Shares held by him/her shall vest in the event of his/her death. Member(s) desirous of availing this facility may submit nomination in the prescribed Form SH-13 to the Company/RTA in case shares are held in Physical form, and to their respective DPs, if held in electronic form. A copy of Form SH-13 is available at the website of the Company at the link https://www.dcmshriram.com/Communication_to_Shareholders_new.pdf
19. Appointment/Re-appointment of Directors
- The brief resume and other information as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards on General Meetings (SS-2), in relation to the appointment/re-appointment of Directors is as under:

Name of the Director	Mr. K.K. Kaul	Mr. K.K. Sharma	Ms. Sarita Garg
Date of Birth & Age	30.03.1950 (72 Years)	17.10.1965 (56 Years)	31.08.1962 (59 Years)
Nationality	Indian	Indian	Indian
Date of first Appointment on the Board of the Company	02.07.2014	20.11.2017	20.10.2020
Qualification	BE in Chemical Engineering and Doctorate Degree in Human Letters	B. Tech Chemical Technology & PDIS (Post Diploma Industrial Safety)	Science graduate & PGEP
Experience	48 Years	32 Years	33 Years
Expertise in Functional Areas	General Management, Project Management Procurement and Supply Chain Management, Setting up/Operation of Fertilizer, Chemicals, Petrochemicals Cement process plants and Human Resource Management	Environment, Social & Governance (ESG), Sustainability, Health and Safety, Agrochemicals and Pharmaceuticals	Administration, Governance, Group Insurance and information Technology

Name of the Director	Mr. K.K. Kaul	Mr. K.K. Sharma	Ms. Sarita Garg
Directorship held in other companies	- DCM Shriram Foundation - DCM Shriram Aqua Foods Ltd. - The Fertiliser Association of India - Shriram Polytech Ltd.	- Shriram Polytech Limited	NIL
Chairman/ Member of the Committee(s) of the Board of Directors of the listed entities	DCM Shriram Ltd Chairman - Board Risk Management Committee Member - Board Finance Committee	DCM Shriram Ltd. Member - Board Risk Management Committee	-
Names of Companies in which Director resigned in past 3 years.	NIL	NIL	NIL
Number of shares held in the Company by Non-Executive Director including shareholding as Beneficial Owner	N.A	N.A	NIL
Last Drawn Remuneration (per annum)	320.04 Lakhs	114.50 Lakhs	41.50* Lakhs
Number of Board Meetings attended during the year	6	6	6
Relationship with other Directors, Manager and other Key Managerial Personnel	NIL	NIL	NIL
Terms and Conditions of Appointment/ Reappointment	Re-appointment consequent to retiring by rotation.	The terms and conditions of Appointment/ Reappointment are given in the proposed resolutions and explanatory statement of this Notice.	Re-appointment consequent to retiring by rotation.

* Paid to LIC of India

20. In case of joint members attending the AGM, only such joint holder who is higher in the order of names will be entitled to e-vote.
21. Relevant documents referred to in the Annual Report including AGM Notice and Explanatory Statement are available for inspection through electronic mode, basis the request being sent on shares@dcmsriram.com
22. Members seeking any information with regard to the accounts or any other matter to be placed at the AGM, are requested to write to the Company latest by 08.07.2022 through email at shares@dcmsriram.com. Such questions shall be taken up during the meeting or replied within 7 days from the date of AGM by the Company suitably.
23. Members who like to express their views or ask questions during the AGM may register themselves as speaker by sending their request from their registered email address mentioning their name, DP ID and client ID/Folio no, No. of shares, PAN, mobile number at [:shares@dcmsriram.com](mailto:shares@dcmsriram.com) on or before 08.07.2022. Those Members, who have registered themselves as a speaker will only be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers as well as the speaking time depending upon the availability of time at the AGM.
24. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned hereinafter. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors and the Chairperson of the Audit Committee, NRC Committee and Stakeholders Relationship Committee, who are allowed to attend the AGM without restriction on account of first come first served basis.
25. During the AGM, Members may access the scanned copy of (i) Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act; (ii) the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act; (iii) certificate by the Secretarial Auditors of the Company on the implementation of the DCM Shriram Employee Stock Purchase Scheme as required under Regulation 13 of the SEBI (Share Based Employee Benefits) Regulations, 2014, and (iv) any other documents as may be required, upon Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com> under the head AGM Docs.

26. Instructions for e-voting and joining the AGM are as follows:

A. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 (“the Act”) and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended up to date and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to the Members to cast their votes, on the Resolutions proposed to be considered at AGM, by electronic voting system from a place other than venue of the AGM (“remote e-voting”) arranged by National Securities Depository Limited (NSDL).
- II. The remote e-voting period shall commence on 16.07.2022 (9.00 A.M.) and ends on 18.07.2022 (5.00 P.M.). During this period Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 12.07.2022, may cast their vote by remote e-voting. The said remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- III. Those Members who will be attending/participating in the AGM through VC/OAVM facility and have not cast their vote(s) on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- IV. The Members who have cast their vote by remote e-voting prior to the AGM may also attend and participate in the AGM through VC/OAVM means, but shall not be entitled to cast their e-vote again.
- V. Mr. Devesh Kumar Vasisht (M. No.: F8488, CP No. 13700), Partner, M/s. Sanjay Grover & Associates, Company Secretaries failing him, Ms. Priyanka (M. No.: F10898, CP No. 16187), Partner, M/s. Sanjay Grover & Associates, Company Secretaries has been appointed as Scrutinizer to scrutinize the e-voting during the AGM and remote e-voting process in a fair and transparent manner.
- VI. The manner and process of remote e-Voting are as under:




Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of email ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to shares@dcmshriram.com.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to shares@dcmshriram.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Step 2: Cast your vote electronically and join AGM on NSDL e-Voting system.

How to cast your vote electronically and join AGM on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of DCM Shriram Ltd. to cast your vote during the remote e-Voting period or casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

- I. In case of any queries/grievance, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in or contact Mr. Amarjit, Senior Manager at 011-41406148 (E-mail : admin@mcsregistrars.com) or Mr. Amit Mehra, Addl. Manager (Co. Law)/ Mr. Vipul Jain, Sr. Manager (Co. Law) at 011-42100200 (E-mail : shares@dcmshriram.com). If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990. The Individual Shareholders holding securities in demat mode, may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
- II. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- III. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. 12.07.2022.
- IV. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 12.07.2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Registrar and Transfer Agent (RTA) of the Company. The Individual Shareholders holding securities in demat mode, may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
- V. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or e-voting at the AGM and a person who is not a Member as on the cut-off date i.e. 12.7.2022, should treat this Notice for information purposes only.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

B. e-voting result

1. The Scrutinizer shall immediately after the conclusion of e-voting at the AGM, unblock the votes cast through remote e-voting and e-vote cast during AGM and will make, not later than 48 hours from the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
2. The Results declared along with the report of the Scrutinizer will be placed on the website of the Company www.dcmshriram.com and on the website of NSDL at <https://www.evoting.nsdl.com> immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results will also be immediately submitted to the BSE Limited, Mumbai & The National Stock Exchange of India Ltd., Mumbai.

Other instructions

Please note that:

- Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.
- Your login ID and password can be used by you exclusively for e-voting on the Resolutions placed by the companies in which you are the Shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

EXPLANATORY STATEMENT

(Pursuant to Section 102 of the Companies Act, 2013)

ITEM NO. 6

The Board of Directors ("The Board"), on the recommendation of the Audit Committee, had approved the appointment of M/s. J.P. Sarda & Associates, Cost Accountants, Kota (FRN: 000289) and M/s. Yogesh Gupta & Associates, Cost Accountants, New Delhi (FRN: 000373) to audit the cost accounting records of the Company at a total remuneration upto Rs.4.35 Lakhs plus applicable taxes and out of pocket expenses, if any, for the F.Y. 2021-22.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable/paid to the Cost Auditors is required to be ratified by the Members of the Company.

Accordingly, based on recommendation of Board, the confirmation of the Members is being sought by passing an Ordinary Resolution as set out at Item No.6 of the Notice for ratification of the remuneration payable/paid to the Cost Auditors for the financial year 2021-22.

None of the Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution.

ITEM NO. 7

Mr. Varun A. Shriram, presently working as Chief Strategy Officer in Sugar Business of the Company, joined the Organization in 2019. He completed a 4 years Bachelor's Degree in Quantitative Economics from Tufts University, Medford, MA in 2018 and was on the Dean's List with Latin Honours. He has also done a General Course (Study Abroad) in Economics from the London School of Economics and Political Science (LSE) in 2017 and ISC certification from the Shriram School in 2014.

During the course of his education, he interned at Accenture in India as a Summer Associate, at ICRA as an Economic Intern and then did an internship with The Boston Consulting Group (BCG) at DCM Shriram as a member of Project ASTRA. He also worked on various professional consulting and business development projects as part of his education at Tufts University.

Post his education, he worked as an External Consultant at The BCG for a period of 6 months where he handled a variety of assignments including benchmarking leading global auto OEM and assessing the attractiveness of an auto NBFC.

In his role in Company's Sugar business, he took various digitization initiatives especially in Sugarcane value chain/Industry 4.0/Google suite usage. He is also deeply involved in many new initiatives in the business with the extensive use of Artificial Intelligence and Machine Learning; more particularly on smart factories.

He has also been actively involved in the project of Ajbapur distillery & the setting up and operationalization of other distilleries. He also contributed immensely in conceptualizing the brands of country liquor / other activities of country liquor business. He is constantly participating in exploring & evaluation of new Business opportunities for growth.

Some of his recent achievements and accomplishments include fast tracking adoption of digital tools / Google suite by employees during COVID pandemic, setting up of call center (Suvidha Kendra) in Loni Sugar Unit and its operationalization, Launch of e-Suvidha app for farmers and its

popularization, Evaluation and firming up of new projects viz. Grain based distillery, Sulphate of Potash and developing SOPs for preservation of molasses along with various team members.

The Board of Directors of the Company, on the recommendation of NRC Committee, at their meeting held on 5th May, 2022 had consented for fixing a maximum limit of remuneration of Mr. Varun A. Shriram since his monthly gross remuneration will be exceeding Rs. 2.50 lacs monthly limit as provided in Section 188 of the Companies Act, 2013. The approval of Members is therefore required under the said provisions.

The members may kindly note that this proposal is to fix a maximum limit on monthly gross remuneration of Rs. 5.00 Lacs, which will include salary, perquisites (evaluated as per Income Tax Rules, wherever applicable, and at actual cost to the Company in other cases), ex-gratia/rewards and all other benefits as applicable to officers in his cadre. This amount of Rs. 5.00 Lacs monthly will not be his revised remuneration immediately and it may take a few more years to reach the said maximum limit of monthly remuneration as the yearly revision going forward will be decided by the NRC Committee based on his future annual performance evaluations.

The proposal to fix the maximum gross monthly remuneration through the current resolution is to avoid coming to shareholders each year. The Company will now approach for the shareholders approval once the monthly gross remuneration is likely to increase this maximum limit of Rs. 5.00 Lacs, which may take a couple of years.

The fixing of this maximum limit requires approval of the Members, pursuant to Section 188 of the Companies Act, 2013.

Except, Mr. Ajit S. Shriram (Father of Mr. Varun A. Shriram) and his relatives, no other Directors/Key Managerial Personnel(s) or their relative(s) is concerned or interested in the Resolution.

The Board recommends the Ordinary Resolution as set out at Item No. 7 of the Notice for approval by the Members.

ITEM NO. 8

The Members in their AGM held on 31.07.2018 had approved the appointment of Mr. K.K. Sharma as Whole Time Director (EHS) for a period of 5 years w.e.f. 20.11.2017. His existing term expires on 20.11.2022. The NRC Committee and Board have recommended his re-appointment for a further period of 5 years w.e.f. 20.11.2022, for the approval of Members.

Mr. K.K. Sharma is a 1st rank holder and Gold medalist in Chemical Technology from UDCT [now Institute of Chemical Technology (ICT), Mumbai]. He also possesses Diploma in safety from Regional Labor Institute, Kanpur and also NEBOSH IGC in Occupational Health & Safety with distinction. He has more than 28 years of experience in Agrochemicals and Pharmaceutical companies in manufacturing and EHS (Environment Health and Safety).

In his current role in the organisation Mr. Sharma is actively driving ESG initiatives and reporting of ESG performance in the Sustainability report as per Global Reporting Initiative Standards. He has contributed immensely in strengthening the Safety procedures and systems across all the Company's sites through regular safety audits by National and International agencies. The behavioural safety has also been implemented across the sites and is being practiced to continuously improve the safety performance by building safety culture across organisation.

He has been inter-alia instrumental in implementation of Integrated Management System certification (ISO 9001, 14001 & 45001) in Fenesta and SFS businesses of the Company, best waste management practices including Extended Producer Responsibility obligation for plastic waste recycling, making the Organization future ready to overcome EHS related challenges for a sustainable business and also in ensuring latest effluent treatment technologies and fire protection system installation at the sites.

During his tenure, the Company bagged a number of sustainable and safety related awards recognitions, few of which are as under:

- 24th rank among the top 200 most sustainable companies by Business World;
- British Safety Council Safety awards for our Kota, Bharuch and Hariawan sites;
- Recognition by CII for water conservation awards inside and outside the fence;
- Three Green Leaves Environmental Recognition for the Urea plant by Centre for Science and Environment; and
- Best Debutant Sustainability Assessor Award from CII in the year 2021.

His brief resume and other details as required under the Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings, is provided in the Notes.

Mr. K.K. Sharma is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Except Mr. K.K. Sharma and his relatives, no other Director/Key Managerial Person(s) or their relative(s) is concerned or interested in the Resolution.

The Board is of the view that the Company gets extremely benefitted by the services of Mr. Sharma more particularly his contribution and continuous efforts towards the ESG, Health & Safety and sustainability goals of the Company and therefore recommends the Special Resolution as set out at Item No.8 of the Notice for the approval by the Members.

New Delhi

Date:- 17.05.2022

By Order of the Board

Sameet Gambhir

Company Secretary

Membership No.: F4658



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“*Thanks to the check dam, the water stays for long and the land remains fertile for longer.*”



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