

**DCM SHRIRAM**  
**INTERNATIONAL LIMITED**

**ANNUAL REPORT 2023-24**



## NOTICE OF THE ANNUAL GENERAL MEETING

Notice is hereby given that 2nd Annual General Meeting of the Company will be held on Saturday, the 6<sup>th</sup> July, 2024 at 12:30 P.M. at the registered office of the Company, situated at 6<sup>th</sup> floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110001 to transact the following business:

### **ORDINARY BUSINESS:**

1. To consider and adopt the Audited Financial Statements of the Company for the period ended 31<sup>st</sup> March, 2024 and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Shri Alok B. Shriram (DIN: 00203808), who retires by rotation and being eligible, offers himself for reappointment.

### **SPECIAL BUSINESS:**

3. To consider, and if thought fit, to pass the following Resolution as a Special Resolution:

“RESOLVED THAT pursuant to Section 180(1)(c) of the Companies Act, 2013 and all other applicable provisions, if any, the consent of the Company, be and is hereby accorded to the Board of Directors of the Company for borrowing, from time to time, such sums of money as they deem requisite for the purpose of the business of the Company, notwithstanding that money to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves and security premium, provided that the total amount up to which moneys may be so borrowed by the Board of Directors shall not exceed Rs.500 cr. (Rupees Five Hundred crore) at any time.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, incidental or expedient, to give effect to this resolution.”

4. To consider, and if thought fit, to pass the following Resolution as a Special Resolution:


“RESOLVED THAT consent of shareholders of the Company, be and is hereby accorded, pursuant to Section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 and Rules made thereunder, to the Board of Directors of the Company, to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations created by the Company, on such moveable or immoveable properties of the Company, both present and

future, and in such manner as the Board may deem fit, together with power to take over the substantial assets of the Company in certain events in favour of banks / financial institutions, other investing agencies and trustees for the holders of debentures / bonds / other instruments to secure rupee / foreign currency loans and / or the issue of debentures whether partly / fully convertible or non-convertible and / or securities linked to ordinary shares and / or rupee / foreign currency convertible bonds and / or foreign currency bonds and / or bonds with share warrants attached (hereinafter collectively referred to as "Loans") provided that the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premium on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said loans for which the charge is to be created, shall not, at any time, exceed Rs.500 cr. (Rupees Five Hundred crore) or the aggregate of the paid-up capital and free reserves of the Company, whichever is higher.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all acts and take all such steps as may be necessary, proper, incidental or expedient, to give effect to this resolution."

By order of the Board  
For DCM SHRIRAM INTERNATIONAL LIMITED

New Delhi  
27th May, 2024

  
(Ashish Jha)  
Company Secretary  
FCS 11326



Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. The instrument of the proxy, in order to be effective, should be deposited at the registered office of the company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A proxy form is annexed to this report.
2. Corporate member intending to send its authorised representative to attend the Meeting is requested to send to the Company a certified copy of the Board Resolution authorising its representative to attend and vote on its behalf at the Meeting.
3. The Register of Directors and their Shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the meeting.

## **EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Special Business**

#### **Item No. 3**

A Composite Scheme of Arrangement involving (a) merger of Lily Commercial Pvt. Limited, a promoter group investment company into and with DCM Shriram Industries Limited (DCMSR) and (b) simultaneous demerger of two business verticals of DCMSR, viz. Chemicals and Rayon into DCM Shriram Fine Chemicals Ltd. and the Company respectively, is under consideration of the Stock Exchanges pursuant to Section 230-232 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

On effectuation of the Scheme, the loans pertaining to the Rayon business of the Holding Company will vest in the Company. In addition, the Company has to borrow funds from time to time for its operations and other capital expenditure. It was, therefore, proposed that the Company may enhance its borrowing power with the approval of the shareholders through an enabling resolution. As per Section 180(1)(c) of the Companies Act, borrowings in excess of a company's paid-up capital, free reserves and securities premium require approval of the shareholders by special resolution.

Accordingly, the Board of Directors in its meeting held on 27.05.2024 proposed to obtain approval of the shareholders to enhance the borrowing power of the Board up to Rs.500 cr, outstanding at any time, including the loans which may vest in the Company as per the Scheme of Arrangement by special resolution u/s 180 (1) (c) of the Act.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out as Item No. 3.

#### **Item No. 4**

A Composite Scheme of Arrangement involving (a) merger of Lily Commercial Pvt. Limited, a promoter group investment company into and with DCM Shriram Industries Limited (DCMSR) and (b) simultaneous demerger of two business verticals of DCMSR, viz. Chemicals and Rayon into DCM Shriram Fine Chemicals Ltd. and the Company respectively, is under consideration of the Stock Exchanges pursuant to Section 230-232 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.



On effectuation of the Scheme, the loans pertaining to the Rayon business of the Holding Company will vest in the Company. In addition, the Company has to borrow funds from time to time for its operations and other capital expenditure. Such borrowings may have to be secured by mortgage on the assets of the Company. Creation of mortgage in certain cases would require approval of the shareholders u/s 180(1)(a) of the Companies Act. It was proposed to seek the approval of the shareholders for creation of such mortgage on the assets of the company from time-to-time securing borrowings not exceeding Rs.500 cr outstanding at any time. Such borrowings are required to be secured by mortgage / charge on the assets of the Company in some cases.

Accordingly, the Board of Directors in its meeting held on 27.05.2024 proposed to obtain approval of the shareholders to enhance the limit for creation of charge/ mortgage/ hypothecation/ pledge on the Company's assets including tangible and intangible, both present and future, in favour of the banks, financial institutions, or any other lender(s), agent(s) and trustee(s) for securing the borrowing availed or to be availed by the Company by way of loans, debentures (comprising fully/ partly convertible debentures and / or secured or unsecured non-convertible debentures or any other securities) or otherwise in foreign currency or in Indian Rupee from time to time up to the limits approved / as may be approved by the shareholders from time to time u/s 180(1) (c) of the Companies Act, 2013 which is proposed to be enhanced up to Rs. 500 cr by special resolution u/s 180(1)(a) of the Act.

None of the Directors and Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out as Item No. 4.



# DCM SHRIRAM INTERNATIONAL LIMITED

(a wholly owned subsidiary of DCM Shriram Industries Limited)

6<sup>th</sup> Floor, Kanchenjunga Building, 18, Barakhamba Road, New Delhi – 110001, INDIA



## DIRECTORS' REPORT

To  
The Members of  
**DCM SHRIRAM INTERNATIONAL LIMITED**

Your Directors have pleasure in presenting the Annual Report and the Audited Financial Statements of your Company for the year ended 31<sup>st</sup> March, 2024 together with the Report of the Auditors and the Board of Directors thereon.

### FINANCIAL HIGHLIGHTS

#### STATE OF COMPANY'S AFFAIRS

The Company has not yet commenced operations.

#### CHANGE IN NATURE OF BUSINESS

Not applicable as the Company is yet to commence business.

#### COMPOSITE SCHEME OF ARRANGEMENT

Pursuant to Section 230-232 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board of Directors in its meeting held on 14.11.2023 had approved a Composite Scheme of Arrangement involving (a) merger of Lily Commercial Pvt. Limited, a promoter group investment company into and with DCM Shriram Industries Limited (DCMSR) and (b) subsequent to this merger, demerger of two business verticals of DCMSR, viz. Chemicals and Rayon into DCM Shriram Fine Chemicals Ltd. and the Company, respectively. The draft Scheme along with the necessary documents were filed with BSE and NSE on 28th and 29th November, 2023, respectively. On effectuation of the Scheme, the Rayon business of DCMSR will vest in the Company. The Scheme is presently under consideration of BSE and NSE. After approval under the Listing Regulations, the Scheme will be filed with Hon'ble NCLT for approval.

#### BOARD MEETINGS AND DIRECTORS

##### **MEETINGS OF THE BOARD**

During the Financial Year 2023-24, the Company held five meetings of the Board of Directors i.e. on 23.05.2023, 14.07.2023, 10.11.2023, 14.11.2023 and 02.03.2024.

## **CHANGES IN DIRECTORS OR KMP**

There has been no such change in the composition of the Board during the year. The Company at present has no Key Managerial Personnel.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirements of Section 134(5) of the Companies Act, 2013, it is hereby confirmed that:

1. In the preparation of the annual accounts, the applicable accounting standards had been followed and there are no material departures from the same;
2. The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the Company for that period;
3. The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
4. The Directors had prepared the annual accounts on a going concern basis;
5. Company being unlisted sub clause (e) of section 134(3) is not applicable and
6. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## **AUDITORS AND THEIR REPORT.**

Pursuant to Section 139 of the Companies Act, 2013, the shareholders in the Annual General Meeting held on 15.07.2023 had appointed M/s. M/s B S R & Co. LLP, Chartered Accountants (FRN: 101248 WW-100022), Gurugram, as Auditors of the Company to hold office for five years from the conclusion of the 1<sup>st</sup> AGM till the conclusion of the 6th AGM to be held in the year 2028.

There are no qualifications, reservation or adverse remarks or disclaimer in the Auditors' Report to the members on the annual financial statements for the year ended 31.03.2024.

The Auditors have not reported any incidence of fraud.

## **LOANS, GUARANTEES AND INVESTMENTS**

The Company has not provided any loans, guarantees or made any investments during the year.



## **RELATED PARTY TRANSACTIONS**

The transactions entered into with a related party during the year under review were on Arm's Length basis and in the ordinary course of business. The relevant information regarding related party transactions has been set out in Note No.14 of the Financial Statements for the year 31.03.2024. In view of this, disclosure in Form AOC-2 is not required.

## **DIVIDEND**

Not applicable as the Company is yet to commence operations.

## **MATERIAL CHANGES AND COMMITMENTS**

No material changes or commitments have occurred between the end of the financial year to which the financial statements relate and the date of this Report, affecting the financial position of the Company.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**

There is no information to be reported under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to conservation of energy, technology absorption etc. and particulars of employees under Section 197(2) of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 as the Company has not commenced business.

There were no foreign exchange earnings and outgo during the year under review.

## **RISK MANAGEMENT**

The Company does not have any Risk Management Policy as the Company has not commenced business.

## **CORPORATE SOCIAL RESPONSIBILITY**

Since the Company is not falling under any criteria specified in sub-section (1) of section 135 of the Companies Act, 2013, it is not required to constitute a Corporate Social Responsibility Committee.

## **CAPITAL STRUCTURE**

There is no change in the authorized and paid-up share capital of the company during the year.

## **DEPOSITS**

The company has not accepted any deposits during the year.

## **SIGNIFICANT ORDERS**

No significant material orders were passed by the regulators or courts or tribunals which affect the going concern status and future operation of the Company.

## **INTERNAL FINANCIAL CONTROLS**

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

## **INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY**

Company does not have any Subsidiary, Joint venture or Associate Company.

## **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

Not Applicable.

## **EXTRACT OF ANNUAL RETURN**

As there is no requirement to maintain a website, copy of the annual return is not uploaded and the same can be accessed by eligible persons by visiting its office hours by giving advance intimation.

## **SHARES**

### **a. BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.

### **b. SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review.

### **c. BONUS SHARES**

Not applicable as the Company is yet to commence business.

### **d. EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option Scheme to the employees.

## **GENERAL**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

None of the employee of your Company is drawing remuneration in excess of the limits set out in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The provisions of Section 204 of the Companies Act, 2013 relating to Secretarial Audit Report and provisions of Section 177 of the Companies Act, 2013 relating to Audit Committee were not applicable to the Company.

The provisions regarding vigil mechanism as provided in Section 177(9) of the Companies Act, 2013 read with rules framed there under are not applicable to the Company.

The Company does not require to maintain cost records as specified under Section 148(1) of the Companies Act, 2013.

The Company has not made any application, nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) and therefore, the provisions under this Code are not applicable to it.

The Company has not applied for one time settlement at any time since its inception, and thus, the details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions are not applicable to it.

Your Directors further state that during the year under review, there were no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Applicable Secretarial Standards i.e. SS-1 & S-2 relating to 'Meetings of Board of Directors' and 'General Meetings' respectively, have been duly followed by the Company.

### **ACKNOWLEDGEMENT**

Directors wish to place on record their appreciation for the co-operation and assistance extended to the Company by the holding Company.

**For & on Behalf of the Board of Directors**



**Kanika Shiram**  
DIN: 00998758  
(Director)



**Alok B. Shiram**  
DIN: 00203808  
(Director)

**Place: New Delhi**

**Date: 27.05.2024**



## Independent Auditor's Report

### To the Members of DCM Shriram International Limited

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of DCM Shriram International Limited (the "Company") which comprise the balance sheet as at 31 March 2024, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 31 March 2024, and its loss and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's directors' report, but does not include the financial statements and auditor's report(s) thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for

Registered Office:

B S R & Co. (a partnership firm with Registration No. BA61223) converted into B S R & Co. LLP (a Limited Liability Partnership with LLP Registration No. AAB-8181) with effect from October 14, 2013

14th Floor, Central B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400063

## Independent Auditor's Report (Continued)

### DCM Shriram International Limited

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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related

Independent Auditor's Report (Continued)

DCM Shriram International Limited

safeguards.

Other Matter

- a. The financial statements of the Company for the year ended 31 March 2023 were audited by the predecessor auditor who had expressed an unmodified opinion on 23 May 2023.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- 2 A. 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 statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company does not have any pending litigations which would impact its financial position.
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 19 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 19 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or

**Independent Auditor's Report (Continued)**

**DCM Shriram International Limited**


invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- (iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.
- e. The Company has neither declared nor paid any dividend during the year.
- g. Based on our examination which included test checks and as explained in note 20 to the financial statements, the Company has used spreadsheets for maintaining underlying records of the financial statements which is not considered as 'books of account' in accordance with the Implementation Guide on Reporting on Audit Trail under Rule (11)(g) of the Companies (Audit and Auditors) Rules, 2014. Accordingly, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.
- C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:  
In our opinion and according to the information and explanations given to us, the Company has not paid any remuneration to its directors during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **BSR & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248WW-100022

  
**Adhir Kapoor**

*Partner*

Place: Gurugram

Date: 27 May 2024

Membership No.: 098297

ICAI UDIN:24098297BKLSTC5640

**Annexure A to the Independent Auditor's Report on the Financial Statements of DCM Shriram International Limited for the year ended 31 March 2024**

**(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

- (i) (a) (A) The Company does not have any Property, Plant and Equipment. Accordingly, clause 3(i)(a)(A) of the Order is not applicable.
- (B) The Company does not have any intangible assets. Accordingly, clause 3(i)(a)(B) of the Order is not applicable.
- (i) (b) The Company does not have any Property, Plant and Equipment. Accordingly, clause 3(i)(b) of the Order is not applicable
- (c) The Company does not have any immovable property and no lease agreements are duly executed by the company as lessee for immovable properties. Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) The Company does not have any immovable property and no lease agreements are duly executed by the company as lessee for immovable properties. Accordingly, clause 3(i)(d) of the Order is not applicable.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The company does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investments, provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. Accordingly, provisions of clauses 3(iii)(a) to 3(iii)(f) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by it. Accordingly, clause 3(vi) of the Order is not applicable.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Income-Tax,



**Annexure A to the Independent Auditor's Report on the Financial Statements of DCM Shriram International Limited for the year ended 31 March 2024 (Continued)**

- Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Income-Tax, Duty of Customs or Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company did not have any loans or borrowings from any lender during the year. Accordingly, clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2024. Accordingly, clause 3(ix)(e) is not applicable.
- (f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2024. Accordingly, clause 3(ix)(f) is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by

**Annexure A to the Independent Auditor's Report on the Financial Statements of DCM Shriram International Limited for the year ended 31 March 2024 (Continued)**

- the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) (a) In our opinion and based on the information and explanations provided to us, the Company does not have an Internal Audit system and is not required to have an internal audit system as per Section 138 of the Act.
- (b) In our opinion and based on the information and explanations provided to us, the Company does not have an internal audit system and is not required to have an internal audit system as per Section 138 of the Act. Accordingly, clause 3(xiv)(b) of the Order is not applicable.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has one CICs as part of the Group as detailed in note no. 19 to the financial statements. We have not, however, separately evaluated whether the information provided by the management is accurate and complete
- (xvii) The Company has incurred cash losses of Rs. 1,223.40 hundred in the current financial year and Rs. 547.43 hundred in the immediately preceding financial year.
- (xviii) There has been resignation of the statutory auditors during the year and no issues, objections or concerns raised by the outgoing auditors.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, 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 the 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) The requirements as stipulated by the provisions of Section 135 are not applicable to the

BSR & Co. LLP

**Annexure A to the Independent Auditor's Report on the Financial Statements  
of DCM Shriram International Limited for the year ended 31 March 2024  
(Continued)**

Company. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **BSR & Co. LLP**

*Chartered Accountants*

Firm's Registration No.: 101248WW-100022



**Adhir Kapoor**

*Partner*

Place: Gurugram

Date: 27 May 2024

Membership No.: 098297

ICAI UDIN: 24098297BKLSTC5640

**Annexure B to the Independent Auditor's Report on the financial statements of DCM Shriram International Limited for the year ended 31 March 2024**

**Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act**

**(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)**

**Opinion**

We have audited the internal financial controls with reference to financial statements of DCM Shriram International Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

**Management's and Board of Directors' Responsibilities for Internal Financial Controls**

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

**Meaning of Internal Financial Controls with Reference to Financial Statements**

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial

**Annexure B to the Independent Auditor's Report on the financial statements of DCM Shriram International Limited for the year ended 31 March 2024 (Continued)**

statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls with Reference to Financial Statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**

*Chartered Accountants*

Firm's Registration No.:101248WW-100022



**Adhir Kapoor**

*Partner*

Place: Gurugram

Date: 27 May 2024

Membership No.: 098297

ICAI UDIN:24098297BKLSTC5640

**DCM Shriram International Limited****Balance Sheet as at March 31, 2024**

(All amounts in Rs. hundred except otherwise stated)

Particulars	Notes	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
Financial assets			
(i) Other financial assets	4	100.00	100.00
<b>Total non-current assets</b>		<b>100.00</b>	<b>100.00</b>
<b>Current assets</b>			
Financial assets			
(i) Cash and cash equivalents	5	437.11	785.67
<b>Total current assets</b>		<b>437.11</b>	<b>785.67</b>
<b>TOTAL ASSETS</b>		<b>537.11</b>	<b>885.67</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	6	1,000.00	1,000.00
Other equity	7	(1,501.89)	(264.33)
<b>Total equity</b>		<b>(501.89)</b>	<b>735.67</b>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Financial liabilities			
(i) Trade payables	8		
- total outstanding dues of micro enterprises and small enterprises; and			
- total outstanding dues of creditors other than micro enterprises and small enterprises		939.00	-
Other current liabilities	9	100.00	150.00
<b>Total current liabilities</b>		<b>1,039.00</b>	<b>150.00</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>537.11</b>	<b>885.67</b>
<b>Material accounting policies</b>	3		

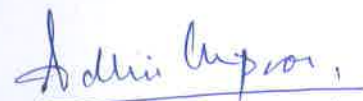
The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

For & on behalf of the Board of Directors of  
DCM Shriram International Limited

**Adhir Kapoor**

Partner

Membership Number :098297


**Kanika Shriram**

Director

DIN: 00998758


**Alok B. Shriram**

Director

DIN: 00203808

Place : Gurugram


Date : May 27, 2024

Place : New Delhi

Date : May 27, 2024

Place : New Delhi

Date : May 27, 2024


  
**ASHISH JHA**  
 COMPANY SECRETARY  
 FCB-11326

**DCM Shriram International Limited**  
**Statement of Profit and Loss for the period ended March 31, 2024**  
 (All amounts in Rs. hundred except otherwise stated)

Particulars	Notes	For the period ended March 31, 2024	For the period September 7, 2022 to March 31, 2023
Revenue from operations		-	-
<b>Total Income</b>		-	-
<b>Expenses</b>			
Finance costs	10	14.16	57.82
Other expenses	11	1,223.40	547.43
<b>Total expenses</b>		<b>1,237.56</b>	<b>605.25</b>
<b>Loss before tax</b>		<b>(1,237.56)</b>	<b>(605.25)</b>
<b>Tax expense</b>		-	-
<b>Loss for the year/period</b>		<b>(1,237.56)</b>	<b>(605.25)</b>
<b>Other comprehensive income/(expense), net of taxes</b>		-	-
<b>Total comprehensive loss for the year/period, net of taxes</b>		<b>(1,237.56)</b>	<b>(605.25)</b>
<b>Loss per share (face value Rs 2 per share)</b>			
- Basic and diluted		(2.48)	(1.21)

**Material accounting policies**

3

The notes referred to above form an integral part of the financial statements.  
 As per our report of even date attached

For **BSR & Co. LLP**  
 Chartered Accountants  
 Firm's Registration No.:101248W/W-100022

For and on behalf of the Board of Directors of  
**DCM Shriram International Limited**



**Adhir Kapoor**  
 Partner  
 Membership Number :098297

Place : Gurugram  
 Date : May 27, 2024



**Kanika Shriram**  
 Director  
 DIN: 00998758


Place : New Delhi  
 Date : May 27, 2024



**Alok B. Shriram**  
 Director  
 DIN: 00203808

Place : New Delhi  
 Date : May 27, 2024



  
**ASHISH JHA**  
 COMPANY SECRETARY  
 PES-11326

**DCM Shriram International Limited**  
**Statement of Changes in Equity for the year ended March 31, 2024**  
 (All amounts in Rs. hundred except otherwise stated)

**A. Equity share capital**

Particulars	Amount
<b>Balance as at September 7, 2022</b>	-
Changes in equity share capital	1,000.00
<b>Balance as at March 31, 2023</b>	<b>1,000.00</b>
Changes in equity share capital	-
<b>Balance as at March 31, 2024</b>	<b>1,000.00</b>

**B. Other equity**

Particulars	Reserves and surplus	Advance against the	Total other equity
	Retained earnings	share capital	
<b>Balance as at September 7, 2022</b>	-	-	-
Loss for the year/period	(605.25)	-	(605.25)
Other comprehensive income for the year net of tax	-	-	-
<b>Total comprehensive income for the year/period</b>	<b>(605.25)</b>	-	<b>(605.25)</b>
Addition during the period (net)	-	340.92	340.92
<b>Balance as at March 31, 2023</b>	<b>(605.25)</b>	<b>340.92</b>	<b>(264.33)</b>
<b>Balance as at April 1, 2023</b>	(605.25)	340.92	(264.33)
Loss for the year	(1,237.56)	-	(1,237.56)
Other comprehensive (expense) for the year net of tax	-	-	-
<b>Total comprehensive income for the year</b>	<b>(1,842.81)</b>	<b>340.92</b>	<b>(1,501.89)</b>
Addition during the period (net)	-	-	-
<b>Balance as at March 31, 2024</b>	<b>(1,842.81)</b>	<b>340.92</b>	<b>(1,501.89)</b>

**Nature and purpose of reserve**

-**Retained earnings:** Retained earnings, when positive is a free reserve available to the company.

**Material accounting policies (refer note 3)**

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For BSR & Co. LLP  
 Chartered Accountants  
 Firm's Registration No.:101248W/W-100022

*Adhir Kapoor*

**Adhir Kapoor**  
 Partner  
 Membership Number :098297

Place : Gurugram  
 Date : May 27, 2024

For and on behalf of the Board of Directors of  
 DCM Shriram International Limited

*Kanika Shriram Alok B. Shriram*

**Kanika Shriram**  
 Director  
 DIN: 00998758

**Alok B. Shriram**  
 Director  
 DIN: 00203808

Place : New Delhi  
 Date : May 27, 2024

Place : New Delhi  
 Date : May 27, 2024



*Ashish Jha*

**ASHISH JHA**  
 COMPANY SECRETARY  
 FCB- 11326



DCM Shriram International Limited  
Statement of Cash Flows for the period ended March 31, 2024  
(All amounts in Rs. hundred except otherwise stated)

Particulars	For the period ended March 31, 2024	For the period September 7, 2022 to March 31, 2023
<b>A CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	(1,237.56)	(605.25)
<b>Adjustments for:</b>		
Finance costs	14.16	57.82
<b>Operating loss before change in assets and liabilities</b>	<b>(1,223.40)</b>	<b>(547.43)</b>
<b>Change in assets &amp; liabilities</b>		
(Increase) in other non current assets	-	(100.00)
Increase in other current liabilities and trade payable	889.00	150.00
<b>Cash generated (used in) operating activities</b>	<b>889.00</b>	<b>50.00</b>
Income tax paid (net)	-	-
<b>Net cash generated (used in) operating activities (A)</b>	<b>(334.40)</b>	<b>(497.43)</b>
<b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>	-	-
<b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Issue of equity share capital	-	1,000.00
Advance against share capital	-	340.92
Finance costs paid	(14.16)	(57.82)
<b>Net cash flow (used in) financing activities (B)</b>	<b>(14.16)</b>	<b>1,283.10</b>
(Decrease)/increase in cash and cash equivalents (A+B)	(348.56)	785.67
Cash and cash equivalents at the beginning of the period	785.67	-
Cash and cash equivalents at the end of the period	<b>437.11</b>	<b>785.67</b>
Component of cash and cash equivalents (A+B)		
Balance with bank - On current account	437.11	785.67
	<b>437.11</b>	<b>785.67</b>

Notes: The cash flow statement has been prepared in accordance with "Indirect Method" as set out on Indian Accounting Standard -7 on "Statement on Cash Flows".

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For BSR & Co. LLP  
Chartered Accountants  
Firm's Registration No.:101248W/W-100022

*Adhir Kapoor*

Adhir Kapoor  
Partner

Membership Number :098297

Place : Gurugram  
Date : May 27, 2024

For and on behalf of the Board of Directors of  
DCM Shriram International Limited

*Kanika Shriram*

Kanika Shriram  
Director  
DIN: 00998758

Place : New Delhi  
Date : May 27, 2024

*Alok B. Shriram*

Alok B. Shriram  
Director  
DIN: 00203808

Place : New Delhi  
Date : May 27, 2024



*Ashish Jha*  
ASHISH JHA  
COMPANY SECRETARY  
RES-11326

**DCM Shriram International Limited**  
**Notes to the Financial Statements for the period ended March 31, 2024**  
**(All amounts in Rs. hundred except otherwise stated)**

**1 Corporate Information**

DCM Shriram International Limited (the "Company") is a Public Limited Company having CIN U17299DL2022PLC404291 incorporated on 8<sup>th</sup> Sept 2022 in India and having its registered office at Kanchenjunga Building, 6th Floor, 18, Barakhamba Road, New Delhi – 110001. The main objects of the Company are trading and promotion of fabricated engineering products and leasing of machinery & equipment, providing technical know-how, marketing assistance and other services in relation thereto. The Company is a wholly owned subsidiary of DCM Shriram Industries Limited (Holding company). The commercial operation of the company yet to start.

Considering the overall plan of the company and composite scheme of arrangement filled by Holding company for demerging the rayons business into this company and the financial and operational support provided by the holding Company, the financial statements of the Company have been prepared on going concern basis on the strength of management's plan ensuring generation of revenue in near future and restructuring/ reorganization plan.

**Basis of preparation of financial statements**

**a) Statement of Compliance**

These financial Statements ("Financial Statements") of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act, as applicable.

These Financial Statements of the Company for the period ended March 31, 2024, are approved by the Board of Directors on May 27, 2024.

**b) Functional and presentation currency**

These standalone financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts are in Rupees hundred with two decimal points rounded-off to the nearest Rupees, unless otherwise stated.

**c) Basis of measurement**

The financial statements have been prepared on an accrual basis and under the historical cost convention.

**d) Critical accounting estimates and judgements**

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.



**DCM Shriram International Limited**  
**Notes to the Financial Statements for the period ended March 31, 2024**  
**(All amounts in Rs. hundred except otherwise stated)**

Financial reporting results rely on the estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and Judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. The Management believes that the estimates used in preparation of these financial statements are prudent and reasonable. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company.

**3. Material accounting policies**

**a) Operating Cycle**

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle,
- It is held primarily for the purpose of being traded,
- It is expected to be realised within 12 months after the reporting date, or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of noncurrent financial assets. All other assets are classified as non-current.

A liability is classified as current when it satisfies any of the following criteria:

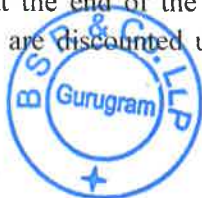
- It is expected to be settled in the company's normal operating cycle,
- It is held primarily for the purpose of being traded,
- It is due to be settled within 12 months after the reporting date, or
- The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

**b) Provisions and contingent liabilities**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period., If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the



**DCM Shriram International Limited**  
**Notes to the Financial Statements for the period ended March 31, 2024**  
**(All amounts in Rs. hundred except otherwise stated)**

risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

A provision for onerous contract is recognised when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligation under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on assets associated.

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

The Company does not recognise contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognised in the period in which the change occurs. Contingent Liabilities in respect of show cause notices are considered only when converted into demands.

**c) Earnings per share (EPS)**

Basic earnings / (loss) per share are calculated by dividing the net profit or loss for the period attributable to the shareholders of the Company by the weighted average number of equity shares outstanding at the end of the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events of bonus / rights issue, if any, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earning per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**d) Financial instruments**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:



**DCM Shriram International Limited**  
**Notes to the Financial Statements for the period ended March 31, 2024**  
**(All amounts in Rs. hundred except otherwise stated)**

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurement of fair values. It regularly reviews significant inputs and valuation adjustments.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

#### **Impairment of financial assets**

The Company recognizes loss allowances for expected credit losses on:

- Financial assets measured at amortized cost; and
- Financial assets measured at Fair value through other comprehensive Income (FVOCI)- debt instruments.

At each reporting date, the Company assesses whether financial assets carried at amortized cost and debt instruments at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

#### **Financial liabilities**

Financial liabilities are classified as measured at amortized cost or Fair value through profit and loss (FVTPL). A financial liability is classified as at FVTPL if it is classified as held-for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including gany interest expense, are recognized in the Statement of Profit and Loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statement of Profit and Loss. Any gain or loss on derecognition is also recognised in the Statement of Profit and Loss.

#### **Offsetting**

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.



**DCM Shriram International Limited**  
**Notes to the Financial Statements for the period ended March 31, 2024**  
**(All amounts in Rs. hundred except otherwise stated)**

**e) Cash and cash equivalents**

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

**3A. Recent Accounting Pronouncements**

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



**DCM Shriram International Limited**  
**Notes to financial statements for the period ended March 31, 2024**  
 (All amounts in Rs. hundred except otherwise stated)

4. Other financial assets (Unsecured, considered good unless otherwise stated)	As at March 31, 2024	As at March 31, 2023
<b>Financial assets at amortised cost</b>		
<i>Unsecured considered good</i>		
Security deposits	100.00	100.00
<b>Total</b>	<u>100.00</u>	<u>100.00</u>

5. Cash and cash equivalents	As at March 31, 2024	As at March 31, 2023
Balances with bank		
- On current account	437.11	785.67
<b>Total</b>	<u>437.11</u>	<u>785.67</u>

The Company's exposure to credit risk are disclosed in note 16



*(This space has been intentionally left blank)*

**DCM Shriram International Limited**  
**Notes to financial statements for the period ended March 31, 2024**  
(All amounts in Rs. hundred except otherwise stated)

6. Equity share capital	As at March 31, 2024	As at March 31, 2023
<b>Authorised</b>		
2,50,000 (March 31, 2023: 2,50,000) equity shares of Rs 2 each	5,000.00	5,000.00
	<b>5,000.00</b>	<b>5,000.00</b>
<b>Issued subscribed and fully paid up</b>		
50,000 (March 31, 2023: 50,000) equity shares of Rs 2 each fully paid up	1,000.00	1,000.00
	<b>1,000.00</b>	<b>1,000.00</b>

**a) Terms, rights, preferences and restrictions attached to equity shares**

The Company has one class of equity shares having a par value of Rs. 2 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amount. The distribution will be in proportion to the equity shares held by the shareholder.

**b) Issue of shares for other than cash**

There were no buy back of shares, issue of shares by way of bonus shares or issue of shares pursuant to contract without payment being received in cash.

**(c) Number of shares held by each shareholder holding more than 5% Shares in the Company**

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	% of holding	Number	% of holding
DCM Shriram Industries Limited (Holding Company)	49,994	99.99%	49,994	99.99%
	<b>49,994</b>	<b>99.99%</b>	<b>49,994</b>	<b>99.99%</b>

**(d) Details of shareholding of promoters in the company is as under:**

Particulars	As at March 31, 2024		
	No of shares @ Rs 2 each	% of total shares	% Change during the year
DCM Shriram Industries Limited (Holding Company)	49,994	99.99%	-
Alok Bansidhar Shriram	1	0.00%	-
Kanika Shriram	1	0.00%	-
Rudra Shriram	1	0.00%	-
Karuna Shriram	1	0.00%	-
Sunil Kumar Chowdhary	1	0.00%	-
Sushil Kumar Jain	1	0.00%	-
<b>Total</b>	<b>50,000</b>	<b>100.00%</b>	<b>-</b>

Particulars	As at March 31, 2023		
	No of shares @ Rs 2 each	% of total shares	% Change during the year
DCM Shriram Industries Limited (Holding Company)	49,994	99.99%	-
Alok Bansidhar Shriram	1	0.00%	-
Kanika Shriram	1	0.00%	-
Rudra Shriram	1	0.00%	-
Karuna Shriram	1	0.00%	-
Sunil Kumar Chowdhary	1	0.00%	-
Sushil Kumar Jain	1	0.00%	-
<b>Total</b>	<b>50,000</b>	<b>100.00%</b>	<b>-</b>

**(e) Reconciliation of shares outstanding at the beginning and at the end of reporting period:**

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares	Amount	Number of shares	Amount
Equity shares outstanding at the beginning of the year/period	50,000	1,000	-	-
Add: shares issued during the year/period	-	-	50,000	1,000
<b>Outstanding at the end of the year/period</b>	<b>50,000</b>	<b>1,000</b>	<b>50,000</b>	<b>1,000</b>

**7. Other equity**

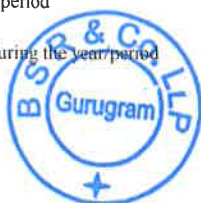
**(a) Other Equity**

**Retained earnings**

	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year/period	(605.25)	-
-Loss during the year/period	(1,237.56)	(605.25)
<b>Balance at the end of the year/period</b>	<b>(1,842.81)</b>	<b>(605.25)</b>

**(b) Advance against capital from the holding company**

	As at March 31, 2024	As at March 31, 2023
Balance as at the beginning of the year/period	340.92	-
Additions during the year/period	-	340.92
Less: Issuance of equity share capital during the year/period	-	-
<b>Balance at the end of the year/period</b>	<b>340.92</b>	<b>340.92</b>
<b>Total</b>	<b>(1,501.89)</b>	<b>(264.33)</b>





DCM Shriram International Limited  
Notes to financial statements for the period ended March 31, 2024  
(All amounts in Rs. hundred except otherwise stated)

8. Trade payables

	As at March 31, 2024	As at March 31, 2023
- total outstanding dues of micro enterprises and small enterprises; and	-	-
- total outstanding dues of creditors other than micro enterprises and small enterprises	939.00	-
	<u>939.00</u>	<u>-</u>

Aging of trade payable as on March 31, 2024 is as under:

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled dues	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
- MSME	-	-	-	-	-	-	-
- Others	900.00	-	39.00	-	-	-	939.00
- Disputed dues - others	-	-	-	-	-	-	-
<b>Total</b>	<u>900.00</u>	<u>-</u>	<u>39.00</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>939.00</u>

As on March 31, 2023, there is no trade payable outstanding, hence ageing disclosure not presented.

9. Other current liabilities

	As at March 31, 2024	As at March 31, 2023
Audit fees payable	-	150.00
Statutory dues payable	100.00	-
<b>Total</b>	<u>100.00</u>	<u>150.00</u>

10. Finance costs

	For the period ended March 31, 2024	For the period September 7, 2022 to March 31, 2023
Bank charges	14.16	57.82
	<u>14.16</u>	<u>57.82</u>

11. Other expenses

	For the period ended March 31, 2024	For the period September 7, 2022 to March 31, 2023
Professional fees	90.00	156.51
Rates and taxes	12.00	240.92
Payment to auditor	-	-
- Statutory audit fee	1,121.40	150.00
	<u>1,223.40</u>	<u>547.43</u>

12. Income tax

As the operation of the company have yet to commence, no current tax and deferred tax asset on losses has been recognised.

13. Earnings per share

Earning per share (EPS) is determined based on the net profit attributable to the shareholder before other comprehensive Income. Basic earning per share is computed using the weighted average number of equity shares outstanding during the year whereas Diluted Earning per share is computed using the weighted average number of common and dilutive equivalent shares except for the case where the result becomes anti-dilutive.

	For the period ended March 31, 2024	For the period September 7, 2022 to March 31, 2023
Loss after tax attributable to the equity holders	(1,237.56)	(605.25)
Number of equity shares	50,000	50,000
Weighted average number of equity shares outstanding during the year/period (No.)	50,000	50,000
Nominal value per share (Rs.)	2.00	2.00
Basic and diluted loss per share (Rs.)	<u>(2.48)</u>	<u>(1.21)</u>



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**DCM Shriram International Limited**  
**Notes to financial statements for the period ended March 31, 2024**  
 (All amounts in Rs. hundred except otherwise stated)

**14. Disclosure of related party transactions**

**a) List of related parties as per the requirements of Ind-AS 24 - Related Party Disclosures**

**Holding Company**  
 DCM Shriram Industries Limited

**Key Management Personnel**  
 Mr. Alok Bansidhar Shriram, Director (w.e.f. 07.09.2022)  
 Ms. Kanika Shriram, Director (w.e.f. 07.09.2022)  
 Mr. Rudra Shriram, Director (w.e.f. 07.09.2022)  
 Mr. Ashish Jha, Company Secretary (w.e.f. 28.09.2022)

**b) Transactions with related parties during the year/period**

Particulars	For the period ended March 31, 2024	For the period September 7, 2022 to March 31, 2023
	Holding Company	Holding Company
<b>Payment on behalf of the company</b>		
DCM Shriram Industries Limited	-	340.92

**c) Balances outstanding with related parties at the year/period end**

Particulars	For the period ended March 31, 2024	For the period September 7, 2022 to March 31, 2023
	Holding Company	Holding Company
<b>Advance against share capital</b>		
DCM Shriram Industries Limited	340.92	340.92

**15. Commitments and Contingencies**

**a) Capital commitment**

Estimated amount of contracts remaining to be executed on capital account (net of advances) as at March 31, 2024 - Nil ( March 31, 2023- Nil)

**b) Contingent liabilities**

There are no claims against the company which are not acknowledged as debt as on March 31, 2024 ( March 31, 2023- Nil)



(This space has been intentionally left blank)

**DCM Shriram International Limited**  
**Notes to financial statements for the period ended March 31, 2024**  
 (All amounts in Rs. hundred except otherwise stated)

**16. Fair value hierarchy**

Particulars	As At March 31, 2024	As At March 31, 2023
<b>Financial assets-At carrying value</b>		
<b>Non current</b>		
Other financial assets	100.00	100.00
<b>Adjusted net debt (A)</b>	<b>100.00</b>	<b>100.00</b>

a) The Management has assessed that deposits and cash and cash equivalents approximate their carrying amounts largely due to the short-term maturities of these instruments.

b) The Fair value of financial assets and liabilities are substantially same as their carrying amount.

**Financial risk management objectives and policies**

The Company's financial risk management is carried out under policies approved by the board of directors. The board provides written principles for overall risk management, as well as policies covering specific areas, such as credit risk and investment of excess liquidity.

**(A) Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company has not commenced operations and at present is exposed to credit risk from its operating activities and from its financing activities, including deposits with banks.

**- Trade receivables**

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating. Outstanding customer receivables are regularly monitored.

The company does not have trade receivables as on March 31, 2024 ( March 31, 2023- Nil).

**(B) Liquidity Risk**

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements.

The company does not have any financial liability as on March 31, 2024 ( March 31, 2023- Nil).



**DCM Shriram International Limited**  
**Notes to financial statements for the period ended March 31, 2024**  
 (All amounts in Rs. hundred except otherwise stated)

**17. Ratios analysis and its elements:**

Particulars	Numerator	Denominator	2023-24	2022-23	%	Rational
Current ratio	Current assets	Current liabilities	0.42	5.24	-92%	*

\*The Company is yet to commence its operation and has no earnings during the period ended 31st March 2024. As such, other ratios i.e Debt service coverage ratio, Debt equity ratio, Return on equity, Trade receivables turnover ratio, Trade payables turnover ratio, Net capital turnover ratio, Net profit ratio, Return on capital employed and Return on investment are not applicable for the Company.

18. Segments information: As operations are yet to commence, segment reporting in accordance with Ind AS 108 – “Operating Segments” is not applicable.

**19. Additional Regulatory Information**

- i. The Company does not have any benami property, and no proceeding has been initiated against the Company for holding any benami property.
- ii. The Company does not have any transactions with struck off companies.
- iii. The Company has not borrowed any money from bank or financial institutions which require charge creation.
- iv. The Company has not traded or invested in crypto currency or virtual currency during the financial year.
- v. The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) 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
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- vi. The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (a) 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
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- vii. The Company has not made any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
- viii. The Company has not been declared a wilful defaulter by any bank or other lender (as defined under the Companies Act, 2013), in accordance with the guidelines on wilful defaulters.
- ix. The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- x. There are no title deeds of immovable property which are not held in name of the Company.
- xi. The provisions of section 135 are not applicable to the Company.
- xii. The Group earlier had five Core Investment Companies (CICs) within the Group, out of which four have merged with the fifth CIC subsequent to receipt of NCLT order retrospectively from the appointed date, i.e., April 01, 2023. Accordingly, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has one CIC remaining as part of the Group.

20. The Company has used spreadsheets for maintaining underlying records of the financial statements. As per FAQ 25 of the Implementation Guide on Reporting on Audit Trail under Rule (11)(g) of the Companies (Audit and Auditors) Rules, 2014, the spreadsheets are not required to be treated as part of books of account and therefore, such spreadsheets will not attract the audit trail requirements.

21. The Board of Directors in the meeting held on November 14, 2023 approved the Composite scheme of arrangement (“the Scheme”) between DCM Shriram Industries Limited (“the Holding Company” or “the Demerged Company”), DCM Shriram Fine Chemical Limited and the Company for demerger of Chemical and Rayon business of DCM Shriram Industries Limited respectively, and amalgamation of Lily Commercial Private Limited with DCM Shriram Industries Limited with effect from appointed date of 1 April 2023, subject to regulatory and statutory approvals as applicable. Pending the necessary approvals, the effect of the scheme has not been given in the financial statements.

For **BSR & Co. LLP**  
 Chartered Accountants  
 Firm's Registration No.:101248W/W-100022

*Adhir Kapoor*

**Adhir Kapoor**  
 Partner  
 Membership Number :098297

Place : Gurugram  
 Date : May 27, 2024

For and on behalf of the Board of Directors of  
**DCM Shriram International Limited**

*Kanika Shriram*

**Kanika Shriram**  
 Director  
 DIN: 00998758

Place : New Delhi  
 Date : May 27, 2024

*Alok B. Shriram*

**Alok B. Shriram**  
 Director  
 DIN: 00203808

Place : New Delhi  
 Date : May 27, 2024



*Ashish Jha*

**ASHISH JHA**  
 COMPANY SECRETARY  
 FCS-11326