INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

DCM SHRIRAM INDUSTRIES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of DCM Shriram Industries Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cashflows for the year then ended, and notes to the standalone 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 standalone 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 profit and other comprehensive income, 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 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 on the standalone financial statements.

Key Audit Matters

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

Determination of provision for contingencies and recoverability of reimburseable asset as at 31 March 2024 [see notes 16, 28 and 52 to standalone financial statements].

Key audit matter	How the matter was addressed in our audit
The Company has Indirect tax matters which are subject to assessments/ ongoing proceedings by tax authorities and involve significant judgement by the management in evaluating the likely outcome. The Company makes an assessment to determine the outcome of these tax positions and decides to make an accrual or considers it to be a possible contingent liability in accordance with the applicable Indian Accounting Standards.	We performed the following procedures in this regard: • Obtained an understanding of the management's process for monitoring these matters and the process followed to finalise management's judgement of the likely outcome. • Evaluated the design and tested the operating effectiveness of controls around the management's assessment • Assessed the appropriateness of methods used, reliability of underlying data used for quantification of amounts.

Determination of provision for contingencies and recoverability of reimburseable asset as at 31 March 2024 [see notes 16, 28 and 52 to standalone financial statements].

Key audit matter	How the matter was addressed in our audit
Consequent to introduction of Goods and Services Tax (GST) with effect from July 1, 2017, there has been ambiguity with regard to chargeability of indirect tax, i.e. UP VAT or GST or any other tax, on certain supplies made by the Company to a customer and, therefore, no tax has been charged on such supplies. Various demands raised by the VAT/ GST authorities are being contested, and have been assessed for creating provision/ disclosures in the standalone financial statements. The Company has recognaised a reimbursement asset based on a legal undertaking by the related customer to indemnify the Company for any liability that may finally arise in the matter. The above judgements may change over time based on judicial precedents or amendments to legislation, etc. A change in the management's judgement and estimates may significantly affect the recognition of assets and liabilities and disclosures thereof.	• Examined correspondence and obtained independent confirmation from the Company's external legal counsel in order to corroborate our understanding of these matters with respect to the legal determination of liability arising on such matters. • Involved our internal specialists to evaluate management's assessment by reviewing the facts of the case, reasonableness of assumptions and making an assessment of the likely outcome of the matters. • Examined management's assessment including discussions with in house legal team in respect of recoverability of recognized reimbursable asset. • Examined the underlying agreement, indemnity arragement and the independent confirmation received from the customer as regards the recognition of reimburseable asset. • Evaluated the adequacy of disclosures made with respect to requirements of Ind- AS 37 regarding the matter.

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 annual report, but does not include the financial statements and 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.

Management's and Board of Directors' Responsibilities for the Standalone 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 standalone 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 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.

In preparing the standalone 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 standalone 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 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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 except for the matter stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 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. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. 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 has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Notes 41 and 52 to the standalone financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. 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 ended 31 March 2024.

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 58 (v) to the standalone 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 58 (vi) to the standalone 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 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 interim dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with Section 123 of the Act.

f. Based on our examination, including test checks, the audit trail (edit log) facility has not been enabled for the accounting software used by the Company for maintaining its books of account relating to general ledger.

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 remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limits laid down under Section 197 of the Act. 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 B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Kaushal Kishore
Partner
Membership No.: 090075
ICAI UDIN:24090075BKGTYS7193

Place: New Delhi
Date: 27 May 2024

Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of DCM Shriram Industries 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 has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (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 a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value as at 31 March 2024 (Rs. in lakhs)	Held in the name of	Whether promoter, director or their relatives or employees	Period held	Reason for not being held in the name of the Company
Daurala, Uttar Pradesh – Freehold Land	379.04	DCM Limited	No	Since 1991	Refer Note 51 of the Standalone financial statements
Daurala, Uttar Pradesh – Freehold Land	44.95	Daurala Organics Limited	No	Since 2005	Refer Note 51 of the Standalone financial statements
Kota, Rajasthan – Leasehold Land	465.00	DCM Limited	No	Since 1991	Refer Note 51 of the Standalone financial statements

(d) 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 revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(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 inventory, except goods-in-transit, has been physically verified by the management during the year. For goods-in-transit, subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(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 been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of 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 provided any guarantee or security or advances in the nature of loans, secured or unsecured, to companies, firms or limited liability partnerships or other parties during the year. The Company has granted unsecured loans to its employees in respect of which the requisite information is as below. The Company has not granted any loans, secured or unsecured, to companies, firms or limited liability partnership during the year.

(a) Based on the audit procedures carried out by us and as per the information and explanations given to us the Company has provided loans as below:

Particulars	Loans (Rs. in lakhs)
Aggregate amount given during the year: Others (Employees)	34.94
Balance outstanding as at balance sheet date: Others (Employees)	55.55

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year, and the terms and conditions of the grant of loans, prima facie, are not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) 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 granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) 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 given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 (“the Act”). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

(v) 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 the Company has complied with the provisions of Sections 73 to 76 or other relevant provisions of the Act and the rules framed thereunder where applicable and the directives issued by the Reserve Bank of India as applicable, with regard to deposits or amounts which are deemed to be deposits. As informed to us, there have been no proceedings before the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this matter and no order has been passed by any of the aforesaid authorities in this regard.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(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, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Duty of Excise or Cess or other statutory dues have generally 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 Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Duty of Excise 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, statutory dues relating to Goods and Services Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs, Duty of Excise or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)*	Period to which the amount relates	Forum where dispute is pending	Amount paid under protest (Rs. in lakhs)
Income Tax Act, 1961	Income Tax	3,088.74	2018-19	Income Tax Appellate Tribunal	-
Central Excise Act,1944	Excise Duty	3.22	1995- 96	CESTAT, Delhi	-
Central Excise Act,1944	Excise Duty	21.76	June 2017	CESTAT, Delhi	-
Central Excise Act,1944	Excise Duty	3.54	June 1998 to February 1999	High Court	-
Sales Tax Laws	Sales Tax	15.48	2008-09, 2009-10, 2010-11, 2013-14	High Court	-
GST Act, 2017	GST	1.78	2017-18	Additional Commissioner	1.78

Name of the statute	Nature of the dues	Amount (Rs. in lakhs)*	Period to which the amount relates	Forum where dispute is pending	Amount paid under protest (Rs. in lakhs)
Central Excise Act,1944	Excise Duty	120.12	April 2014 to May 2015	High Court	-
Central Excise Act,1944	Excise Duty	236.16	July 2012 to March 2014	High Court	-
Sales Tax Laws#	UP VAT and CST	7,017.48	April 2019 to March 2020	Additional Commissioner (Appeals)	701.7
GST Act, 2017#	GST	29,617.47	July 2017 to March 2018, 2018-19, 2020-21, 2021-22, April 2022 to September 2022	Joint Commissioner	1,163.47

*Amounts as per demand orders, including interest and penalty, wherever indicated in the demand orders.

Refer note 52 of the standalone financial statements.

(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 has not defaulted in repayment of loans and borrowings or in the payment of interest thereon to any lender.

(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) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(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) According to the information and explanations given to us and on an overall examination of the standalone 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 or associates. The Company does not have any joint ventures as defined under the Act.

(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 or associates. The Company does not have any joint ventures as defined under the Act.

(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 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 standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(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 58 to the standalone financial statements. We have not, however, separately evaluated whether the information provided by the management is accurate and complete.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(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 standalone 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) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In our opinion and according to the information and explanations given to us, there is no ongoing project under sub-section (5) of Section 135 of the Act. Accordingly, clause 3(xx)(b) of the Order is not applicable.

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

Kaushal Kishore
Partner
Membership No.: 090075
ICAI UDIN:24090075BKGTYS7193

Place: New Delhi
Date: 27 May 2024

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

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

(Referred to in paragraph 2(A)(g) 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 Industries Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone 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 standalone 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 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.:101248W/W-100022

Kaushal Kishore
Partner
Membership No.: 090075
ICAI UDIN:24090075BKGTYS7193

Place: New Delhi
Date: 27 May 2024

DCM SHRIRAM INDUSTRIES LIMITED
Standalone Balance Sheet as at March 31, 2024

Particulars	Note	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	3	**58,667.52**	59,250.32
Capital work-in progress	3	**684.18**	220.61
Right-of-use assets	40	**1,485.53**	1,313.15
Intangible assets	4	**155.89**	238.16
Financial assets			
(i) Investments	5	**3,671.79**	3,260.51
(ii) Loans	6	**35.82**	62.82
(iii) Other financial assets	7	**588.27**	539.64
Income-tax assets (net)	8	**2,344.65**	1,652.01
Other non-current assets	9	**5,850.88**	5,405.74
Total non-current assets		**73,484.53**	71,942.96
Current assets			
Inventories	10	**73,954.47**	63,482.91
Financial assets			
(i) Investments	11	**3,358.92**	2,835.35
(ii) Trade receivables	12	**27,587.24**	24,224.22
(iii) Cash and cash equivalents	13	**1,876.40**	474.45
(iv) Bank balances other than (iii) above	14	**1,186.26**	749.01
(v) Loans	15	**19.73**	19.18
(vi) Other financial assets	16	**33,484.77**	26,795.68
Other current assets	17	**2,840.53**	2,162.88
Asset held for sale	56	**33.87**	33.87
Total current assets		**1,44,342.19**	1,20,777.55
TOTAL ASSETS		**2,17,826.72**	1,92,720.51
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	18	**1,739.84**	1,739.84
Other equity	19	**78,006.18**	68,181.04
Total equity		**79,746.02**	69,920.88
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	20	**3,553.44**	7,331.01
(ii) Lease liabilities	40	**1,136.19**	1,096.68
(iii) Other financial liabilities	21	**5,771.27**	5,415.70
Provisions	22	**1,102.14**	1,003.95
Deferred tax liabilities (net)	38	**7,599.96**	5,320.27
Other non-current liabilities	23	**21.54**	58.85
Total non- current liabilities		**19,184.54**	20,226.46
Current liabilities			
Financial liabilities			
(i) Borrowings	24	**47,682.37**	41,863.91
(ii) Lease liabilities	40	**531.21**	436.22
(iii) Trade payables	25		
-Total outstanding dues of micro enterprises and small enterprises;		**1,309.68**	1,215.71
-Total outstanding dues of creditors other than micro enterprises and small enterprises		**30,370.78**	26,258.86
(iii) Other financial liabilities	26	**5,557.55**	4,243.27
Other current liabilities	27	**1,450.52**	1,549.09
Provisions	28	**31,288.08**	27,006.11
Current tax liabilties (net)		**705.97**	-
Total current liabilities		**1,18,896.16**	1,02,573.17
TOTAL EQUITY AND LIABILITIES		**2,17,826.72**	1,92,720.51
Material Accounting Policies	2A		

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

As per our report of even date attached	For and on behalf of the Board of Directors DCM Shriram Industries Limited	
For B S R & Co. LLP		
Chartered Accountants	Vineet Manaktala	S.B. Mathur
ICAI Firm Registration no.:	Director Finance & Chief Financial Officer	Chairman
101248W/W-100022	DIN: 09145644	DIN: 00013239
	Alok B. Shriram	Madhav B. Shriram
Kaushal Kishore	Sr. Managing Director	Managing Director
Partner	DIN: 00203808	DIN: 00203521
Membership No.: 090075	Y.D. Gupta	Urvashi Tilakdhar
	Vice President & Company Secretary	Wholetime Director
Place: New Delhi	Place: New Delhi	DIN: 00294265
Date: May 27, 2024	Date: May 27, 2024	

Statement of Standalone Profit and Loss for the year ended March 31, 2024

Particulars	Note	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Revenue from operations	29	**2,08,290.18**	2,35,092.47
Other income	30	**2,161.32**	1,688.50
Total Income		**2,10,451.50**	2,36,780.97
Expenses			
Cost of materials consumed	31	**1,30,302.11**	1,30,589.30
Purchase of traded goods	32	**5,713.42**	24,148.52
Changes in inventories of finished goods and work-in-progress	33	**(13,152.74)**	3,366.21
Employee benefits expense	34	**19,410.57**	18,637.52
Finance costs	35	**3,556.45**	3,341.81
Depreciation and amortisation expense	36	**3,887.72**	3,588.52
Other expenses	37	**43,549.78**	44,078.72
Total expenses		**1,93,267.31**	2,27,750.60
Profit before tax		**17,184.19**	9,030.37
Tax expense			
Current tax	38	**5,341.78**	2,243.73
Deferred tax	38	**348.29**	760.60
		5,690.07	3,004.33
Profit for the year		**11,494.12**	6,026.04
Other comprehensive income / (expense)			
Items that will not be reclassified to profit or loss			
Re-measurement gain / (loss) on defined benefit obligation		**108.93**	(365.67)
Income tax pertaining to items that will not be reclassified to profit or loss		**(38.07)**	127.78
Total other comprehensive income / (expense), net of taxes		**70.86**	(237.89)
Total comprehensive income for the year, net of taxes		**11,564.98**	5,788.15
Earnings per equity share of Rs. 2 each- basic/ diluted (Rs.)	43	**13.21**	6.93
Material Accounting Policies	2A		

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

As per our report of even date attached	For and on behalf of the Board of Directors DCM Shriram Industries Limited	
For B S R & Co. LLP		
Chartered Accountants	Vineet Manaktala	S.B. Mathur
ICAI Firm Registration no.:	Director Finance & Chief Financial Officer	Chairman
101248W/W-100022	DIN: 09145644	DIN: 00013239
	Alok B. Shriram	Madhav B. Shriram
Kaushal Kishore	Sr. Managing Director	Managing Director
Partner	DIN: 00203808	DIN: 00203521
Membership No.: 090075	Y.D. Gupta	Urvashi Tilakdhar
	Vice President & Company Secretary	Wholetime Director
Place: New Delhi	Place: New Delhi	DIN: 00294265
Date: May 27, 2024	Date: May 27, 2024	

Statement of Standalone Changes in Equity for the year ended March 31, 2024

A. Equity share capital

Particulars	Rs. lakhs
Balance as at April 1, 2022	1,739.84
Changes in equity share capital during the year ended March 31, 2023	-
Balance as at March 31, 2023	**1,739.84**
Changes in equity share capital during the year ended March 31, 2024	-
Balance as at March 31, 2024	**1,739.84**

B. Other equity

(Rs. lakhs)

Particulars	Reserve and surplus					
	Amalgamation reserve	General reserve	Capital redemption reserve	Securities Premium	Retained Earnings	Total
Balance as at April 1, 2022	1,411.38	13,465.60	0.10	3,406.68	45,414.01	63,697.77
Profit for the year	-	-	-	-	6,026.04	6,026.04
Other comprehensive (expense) for the year net of tax	-	-	-	-	(237.89)	(237.89)
Total comprehensive income for the year net of tax	-	-	-	-	5,788.15	5,788.15
Transactions with shareholders, recorded directly in equity						
Distribution to shareholders						
Final dividend on equity shares (Rs. 0.5 per equity share of nominal value of Rs. 2 each)	-	-	-	-	(434.96)	(434.96)
Interim dividend on equity shares (Rs. 1 per equity share of nominal value of Rs.2 each)	-	-	-	-	(869.92)	(869.92)
Balance as at March 31, 2023	1,411.38	13,465.60	0.10	3,406.68	49,897.28	68,181.04
Balance as at April 1, 2023	**1,411.38**	**13,465.60**	**0.10**	**3,406.68**	**49,897.28**	**68,181.04**
Profit for the year	**-**	**-**	**-**	**-**	**11,494.12**	**11,494.12**
Other comprehensive income for the year net of tax	**-**	**-**	**-**	**-**	**70.86**	**70.86**
Total comprehensive income for the year net of tax	**-**	**-**	**-**	**-**	**11,564.98**	**11,564.98**
Transactions with shareholders, recorded directly in equity						
Distribution to shareholders						
Interim dividend on equity shares (Rs. 2 per equity share of nominal value of Rs.2 each)	**-**	**-**	**-**	**-**	**(1,739.84)**	**(1,739.84)**
Balance as at March 31, 2024	**1,411.38**	**13,465.60**	**0.10**	**3,406.68**	**59,722.42**	**78,006.18**

Nature and purpose of reserve

a. Amalgamation reserve

Amalgamation reserve had been created on amalgamation of Daurala Organics Limited with the Company.

b. General reserve

Profits earned by the Company are transferred to General reserve as decided

c. Capital redemption reserve

Created on redemption of preference shares as per requirements of the Companies Act, 1956.

d. Securities premium

Securities premium has been created on account of the premium received on issue of shares and capital and reorganisation reserve reclassified in the year ended March 31, 1993. This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

e. Retained earnings

Retained earnings includes re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to statement of profit and loss. Retained earnings is a free reserve available to the company.

Material Accounting Policies 2A

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

As per our report of even date attached	**For and on behalf of the Board of Directors DCM Shriram Industries Limited**	
For B S R & Co. LLP		
Chartered Accountants	Vineet Manaktala	S.B. Mathur
ICAI Firm Registration no.:	Director Finance & Chief Financial Officer	Chairman
101248W/W-100022	DIN: 09145644	DIN: 00013239
	Alok B. Shriram	Madhav B. Shriram
Kaushal Kishore	Sr. Managing Director	Managing Director
Partner	DIN: 00203808	DIN: 00203521
Membership No.: 090075	Y.D. Gupta	Urvashi Tilakdhar
	Vice President & Company Secretary	Wholetime Director
Place: New Delhi	Place: New Delhi	DIN: 00294265
Date: May 27, 2024	Date: May 27, 2024	

		For the Year ended March 31,2024 Rs. Lakhs	For the Year ended March 31,2023 Rs. Lakhs
A.	CASH FLOWS FROM OPERATING ACTIVITIES		
	Profit before tax	17,184.19	9,030.37
	Adjustments for :		
	Depreciation and amortisation	3,887.72	3,588.52
	Finance costs	3,556.45	3,341.81
	Interest income	(130.26)	(44.92)
	Interest income against subvention	(210.94)	(290.81)
	Profit on sale of property, plant and equipment / discarded assets (net)	(11.42)	(16.38)
	Provisions/liabilities no longer required written back	(109.16)	(342.20)
	Bad debts and advances written off	-	10.10
	Profit on sale of current investments	(137.62)	(43.98)
	Net gain on fair value of investments	(97.88)	(66.29)
	Operating profit before changes in assets and liabilities	23,931.08	15,166.22
	Changes in assets and liabilities		
	Increase in trade payables	4,207.05	966.66
	Increase in financial liabilities	152.71	6,529.95
	Increase in other liabilities & provisions	4,353.21	9,492.37
	(Increase) / decrease in trade receivables	(3,363.02)	1,260.74
	(Increase) in inventories	(10,471.55)	(213.31)
	(Increase) in financial assets	(6,679.05)	(10,969.49)
	(Increase) in other assets	(1,002.80)	(3,739.32)
	Cash generated from operations	11,127.63	18,493.82
	Income tax paid (net)	(3,435.12)	(1,584.67)
	Net cash from operating activities (A)	7,692.51	16,909.15
B.	CASH FLOWS FROM INVESTING ACTIVITIES		
	Capital expenditure on acquisition of items of property, plant and equipments and intangible assets, including capital work in progress	(3,497.60)	(4,955.00)
	Proceeds from sale of property, plant and equipments and intangible assets	161.99	97.39
	Investments in mutual fund (net)	(3,474.83)	(4,403.78)
	Advance to wholly owned subsidiary for share capital	(411.28)	(331.61)
	Investment in equity shares - non current	-	(133.92)
	Investment in equity shares of wholly owned subsidairies	-	(329.36)
	Proceeds from sale of current investments	3,186.76	2,669.48
	Changes in bank deposit	(87.41)	(4.98)
	Changes in other bank balances	(437.25)	(94.23)
	Interest received	183.74	37.18
	Net cash used in investing activities (B)	(4,375.88)	(7,448.83)
C.	CASH FLOWS FROM FINANCING ACTIVITIES		
	Proceeds from long term borrowings	900.00	1,351.15
	Repayment of long term borrowings	(6,928.38)	(7,532.17)
	Proceeds from short term borrowings (net)	8,054.30	1,126.16
	Repayment of Lease Liabilities	(508.27)	(449.42)
	Finance costs paid (Net of subvention)	(3,379.83)	(3,017.26)
	Dividend paid	(52.50)	(1,293.02)
	Net cash (used in) financing activities (C)	(1,914.68)	(9,814.56)
	Net increase / (decrease) in cash and cash equivalents (A+B+C)	1,401.95	(354.24)
	Cash and cash equivalents at the beginning of the year	474.45	828.69
	Cash and cash equivalents at the end of the year	1,876.40	474.45
	Components of cash and cash equivalents		
	Balances with scheduled banks:		
	- Current accounts	1,860.20	457.90
	Cash in hand	16.20	16.55
	Cash and cash equivalents at the end of the year	1,876.40	474.45

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities :

Particulars	Non-current borrowings*	Current borrowings#	Lease liability	Total
Opening balance as at April 1, 2022	20,815.96	33,572.92	1,777.67	56,166.55
Cash flows during the year	(7,788.42)	(135.15)	(598.01)	(8,521.58)
Non-cash changes due to:				
- Interest expense (net of subvention)	1,641.10	1,261.31	-	2,902.41
- Finance cost on lease liability	-	-	148.59	148.59
- Lease liability recognised	-	-	204.65	204.65
Closing balance as at March 31,2023	14,668.64	34,699.08	1,532.90	50,900.62
Opening balance as at April 1, 2023	**14,668.64**	**34,699.08**	**1,532.90**	**50,900.62**
Cash flows during the year	**(7,021.44)**	**5,811.15**	**(651.89)**	**(1,862.18)**
Non-cash changes due to:				
- Interest expense (net of subvention)	**958.74**	**2,243.15**	**-**	**3,201.89**
- Finance cost on lease liability	**-**	**-**	**143.62**	**143.62**
- Lease liability recognised	**-**	**-**	**642.75**	**642.75**
Closing balance as at March 31,2024	**8,605.94**	**42,753.38**	**1,667.38**	**53,026.70**

* Includes current maturities of long term borrowings, interest accrued but not due on borrowings and unclaimed deposits and interest accrued thereon, refer Note 21 and 26.

This does not include current maturities of loan term borrowings

Notes

1. The standalone cash flow statement has been prepared in accordance with “Indirect Method” as set out on Indian Accounting Standard -7 on “Statement on Cash Flows “.

Material Accounting Policies 2A

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

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration no.:
101248W/W-100022

Kaushal Kishore
Partner
Membership No.: 090075

Place: New Delhi
Date: May 27, 2024

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

Vineet Manaktala
Director Finance & Chief Financial Officer
DIN: 09145644

S.B. Mathur
Chairman
DIN: 00013239

Alok B. Shriram
Sr. Managing Director
DIN: 00203808

Madhav B. Shriram
Managing Director
DIN: 00203521

Y.D. Gupta
Vice President & Company Secretary

Urvashi Tilakdhar
Wholetime Director
DIN: 00294265

Place: New Delhi
Date: May 27, 2024

1 Corporate Information

DCM Shriram Industries Limited (the “Company”) is a Public Limited Listed Company having CIN L74899DL1989PLC035140 incorporated in India and having its registered office at Kanchenjunga Building, 18, Barakhamba Road, New Delhi – 110001. The Company is primarily engaged in production and sale of sugar, alcohol, power, chemicals and industrial fibers.

2 Basis of preparation of standalone financial statements

a) Statement of compliance

These Standalone Financial Statements (“Standalone 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. The accounting policies are applied consistently in the financial statements.

These Standalone Financial Statements of the Company for the year ended March 31, 2024, are approved by the Company’s Audit Committee and by the Board of Directors on 27 May 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 lakhs with two decimal points rounded-off to the nearest thousands, unless otherwise stated.

c) Basis of measurement

The standalone financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following items:

Items	Measurement basis
Derivative financial instruments	Fair value through profit and loss (FVTPL)
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations
Investments in Mutual Funds	Fair value through profit and loss (FVTPL)

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated, using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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. 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.

In particular, information about significant areas of estimation/ uncertainty and judgements in applying accounting policies that have the most significant effects on the standalone financial statements includes:

- Recognition and estimation of tax expense including deferred tax- Note 2A(g) and 38.
- Assessment of useful life of property, plant and equipment and intangible assets- Note 2A(b) and (c).
- Estimation of obligations relating to employee benefits: key actuarial assumptions - Note 2A(h)
- Valuation of inventories- Note 2A(d)
- Fair value measurement of financial instruments- Note 2A(q)
- Lease classification- Note 2A(n)
- Determination of right of use (ROU) assets and liabilities; incremental borrowing rate and lease term- Note 2A(n)
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources- Note 2A(i)
- Impairment of financial assets- Note 2A(q)
- Impairment of non-financial assets- Note 2A(k)

2A. Material accounting policies

a) Operating cycle

Based on the nature of products/ 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 non-current 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.

Deferred Tax Assets and Liabilities are classified as non-current only.

b) **Property, plant and equipment (PPE)**

(i) **Recognition and measurement**

All items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation/ amortization and accumulated impairment losses, if any.

Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Capital work-in-progress is stated at cost, net of impairment loss, if any.

The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition and location for their intended use, and the estimated cost of dismantling and removing the items and restoring the site on which they are located. Interest cost incurred for constructed assets is capitalised up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been used for the asset.

When parts of an item of property, plant and equipment having significant cost have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no further economic benefit is expected from its use and disposal. Assets retired from active use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gains or losses arising on disposal of property, plant and equipment are recognized in the Statement of Profit and Loss. Incomes and expenses related to the incidental operations not necessary to bring the item to the location and the condition necessary for it to be capable of operating in the manner intended by management are recognized in the Statement of Profit and Loss.

Once classified as held-for-sale, property, plant and equipment are no longer depreciated.

Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Standalone Statement of Profit and Loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, as appropriate.

(ii) **Transition to IND AS**

The cost of property, plant and equipment as of April 01, 2016, the Company's date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost).

(iii) **Subsequent expenditure**

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits, deriving from the cost incurred, will flow to the enterprise and the cost of the item can be measured.

(iv) Depreciation

Depreciation is provided on a pro-rata basis using the straight-line method as per the useful lives prescribed in Schedule II to the Companies Act, 2013. Leasehold improvements are amortised on a straight line basis over the unexpired period of lease. Leasehold land (being in the nature of perpetual lease) and freehold land are not depreciated.

Depreciation methods, useful lives and residual values are reviewed in each financial year, and changes, if any, are accounted for prospectively.

The estimated useful lives are as mentioned below:

Type of asset	Useful lives (in years)
Leasehold improvements	Lease term
Buildings	5-60 years
Plant and equipment	10-40 years
Vehicles	8-10 years
Office equipment	5 years
Furniture and fixtures	10 years

c) Intangible assets

(i) Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price including duties and taxes and any costs directly attributable to making the assets ready for their intended use. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss when the asset is derecognised.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

(iii) Amortisation

Intangible assets, being computer software are amortised in the Statement of Profit and Loss over the estimated useful life of five years using the straight line method.

The amortisation method and the useful lives of intangible assets are reviewed annually and adjusted, as necessary.

d) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is ascertained on a ‘weighted average’ basis.

Cost includes direct materials, labour, freight inwards, other direct cost, a proportion of manufacturing overheads based on normal operating capacity, net of refundable duties, levies and taxes, wherever applicable.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs, necessary to make the sale.

Assessment of net realisable value is made at each reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount so written-down is adjusted in terms of policy as stated above.

Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.

The cost of production (including cost of conversion) of joint products is allocated on such joint products based on a rational and consistent basis, i.e., relative realisable values at the separation point, when the products become separately identifiable.

By-products are valued at estimated net realizable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

e) Revenue recognition

i. Sale of goods

Revenue from sale of goods is recognised at the point in time when control of products is transferred to the customer. Amounts disclosed as revenue are net of returns and allowances, trade discounts and rebates. The Company collects Goods and services tax on behalf of the government and, therefore, these are not economic benefits flowing to the Company. Hence, these are excluded from the revenue. At contract inception, the Company assesses the goods or services promised in a contract with a customer and identify, as a performance obligation, each promise to transfer to the customer.

Revenue from contracts with customers is recognized when control of goods or services are transferred to customers and the Company retains neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold. The timing of the transfer of control of products to customers at the time of dispatch, during shipment or receipt of goods by the customers which vary based on individual terms of the sales agreements.

Revenue is measured based on the transaction price, which is the consideration, adjusted for variable consideration such as volume discounts, cash discounts, etc., as specified in the contract with the customer. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made.

Contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due.

Contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is received or due, whichever is earlier. Contract liabilities are recognised as revenue when the Company performs under the contract.

ii. Rendering of services

Revenue from rendering of services are recognised over a period of time as and when underline services are performed as the customer simultaneously receives and consumes the benefit provided by the Company's performance. Payment for the service rendered is received as per the credit terms in the agreements with the customers. Where the credit period is short term, no financing component is considered. Job work is recognized upon full completion of the job work.

iii. Income from Renewable Energy Certificates (RECs)

Income from Renewable Energy Certificates (RECs) is recognised at estimated realisable value on confirmation of RECs by the concerned authorities.

Use of significant judgements in revenue recognition:

- Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Company's performance obligation under revenue contracts, is satisfied at a point in time and judgement is exercised in determining the same.

f) Interest and dividend income

Interest income are reported on an accrual basis using the effective interest method, when the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding. Dividends income from investments is recognised when the shareholder's right to receive payment has been established.

g) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other Comprehensive Income (OCI).

- Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

  Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

  Current tax is recognised in Statement of Profit or Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that effects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to freehold land and investments in subsidiaries, to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets (DTA) include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Minimum Alternative Tax (MAT) Credit

In case of tax payable as Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961, the credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as a deferred tax asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

h) Employee benefits

i) Short-term benefits

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid, if the Company has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii) Defined contribution plans

The defined contribution plans, i.e., provident fund (administered through Regional Provident Fund Office), superannuation fund and employee state insurance corporation are post-employment benefit plans under which a Company pays fixed contributions and will have no legal and constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit and Loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Gratuity

The Company provides for gratuity, a defined benefit plan (the Gratuity Plan) covering all eligible employees. In accordance with The Payment of Gratuity Act, 1972, the Gratuity plan provides a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment. These are funded by the Company and are managed by the Life Insurance Corporation of India (LIC).

The calculation of defined benefit obligation is performed by a qualified actuary separately for each plan using the projected unit credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rate used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The Company determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the

Statement of Profit and Loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

*Provident fund (*other than those made to the Regional Provident Fund Office of the Government)

Provident Fund Contributions other than those made to the Regional Provident Fund Office of the Government which are made to the Trusts administered by the Company are accounted for on the basis of actuarial valuation. The interest rate payable to the members of the Trust is not considered to be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and, Miscellaneous Provisions Act, 1952 and shortfall, if any, based on actuarial estimate by an approved actuary, is made good by the Company.

iv) Other long-term employee benefits

Benefits under the Company's privilege leaves and medical leaves are other long term employee benefits. The Company's net obligation in respect of privilege leave and medical leave are the amount of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the projected unit credit method.

Re-measurements are recognised in Statement of Profit and Loss in the period in which they arise.

i) Government grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate, and presented within other income (operating or non-operating, as appropriate) other than export benefits which are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

A government grant that becomes receivable as compensation for expenses or losses incurred in a previous period, is recognised in profit or loss of the period in which it becomes receivable.

j) Foreign currency transactions and translation

The management has determined the currency of the primary economic environment in which the Company operates, i.e., functional currency, to be Indian Rupees (INR). The financial statements are presented in INR which is Company's functional and presentational currency.

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Company at the exchange rates at the dates of the transactions or at an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/ losses arising on account of realisation/ settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the Statement of Profit and Loss.

Non-monetary items measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

The derivative financial instruments such as forward exchange contracts to hedge its risk associated with foreign currency fluctuations are stated at fair value. Any gains or losses arising from changes in fair value are taken directly to Statement of Profit or Loss.

k) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets (other than inventories and deferred tax assets) are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU"). In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used.

The Company's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined in relation to the CGU to which a corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

l) Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and 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, as appropriate, the 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 a 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.

m) Borrowing cost

Borrowing costs that are directly attributable to the acquisition, construction or erection of qualifying assets are capitalised as part of cost of such asset until such time that the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

When the Company borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Company borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of general borrowing that are outstanding during the period and used for the acquisition of the qualifying asset.

Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

All other borrowing costs are recognised as an expense in the year in which they are incurred.

n) Leases

<u>Company as a lessee</u>

The Company 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 Ind AS 116, 'Leases'. The Company assesses whether a contract contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset
- the Company has substantially all of the economic benefits from use of the asset through the period of the lease and the Company has the right to direct the use of the asset.

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 unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. The estimated useful life of the right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the 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. 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. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised. The Company uses a single discount rate to a portfolio of leases with similar characteristics.

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.

o) Earnings per share (EPS)

Basic earnings / (loss) per share are calculated by dividing the net profit or loss for the year 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 year 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 year 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.

p) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

In accordance with Ind AS 108 – “Operating Segments”, the operating segments used to present segment information are identified on the basis of internal reports used by the Company’s Management to allocate resources to the segments and assess their performance.

The Executive Committee, primarily comprising Chairman and Managing Director, Whole Time Directors, Business Heads, Chief Financial Officer and Company Secretary, is collectively the Company’s ‘Chief Operating Decision Maker’ or ‘CODM’ within the meaning of Ind AS 108. All operating segments’ operating results are reviewed regularly by the CODM to make decisions about resources to be allocated to the segments and assess their performance. Refer Note 39 for segment information.

Based on “Management Approach”, as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company’s performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items include general corporate income and expense items which are not allocated to any business segment.

Segment policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the standalone financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

q) 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.

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

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.

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

Initial recognition and measurement

With the exception of trade receivables that do not contain a significant financing component, the Company initially measures financial asset at its fair value, in the case of a financial asset not at fair value through profit or loss, net of transaction costs. Trade receivables do not contain a significant financing component and are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 2A (e) Revenue recognition.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets of the Company are classified in three categories:

a) At amortised cost
b) At fair value through profit and loss (FVTPL)
c) At fair value through other comprehensive income (FVTOCI)

Financial Asset is measured at amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

All those financial assets that are not classified as measured at amortised cost or FVTOCI, are measured at FVTPL. This includes all derivative financial assets and current investments in mutual funds. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Equity investments

All equity investments in the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are measured at fair value through profit and loss.

For all other equity instruments, the Company may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Company makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income. This cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of such instruments.

Investments representing equity interest in subsidiary and associate are carried at cost less any provision for impairment.

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 FVTOCI – debt instruments.

Loss allowance for trade receivables is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is recognised as an impairment gain or loss in the Statement of Profit and Loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company’s historical experience and informed credit assessment, that includes forward-looking information.

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVTOCI 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. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 180 days past due;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

With regard to trade receivable, the Company has applied the simplified approach for initial recognition of expected lifetime losses.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or 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 any 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 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.

Derecognition

(i) Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its Balance Sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

(ii) Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the Statement of Profit and Loss.

r) Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include 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.

s) Research and development

Expenditure on research and development activities is recognized in the Statement of Profit and Loss as incurred.

Development expenditure is capitalized as part of cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses, if any.

t) Dividend

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

u) Goods and services tax input credit

Goods and services tax input credit is recognised in the books of account in the period in which the supply of goods or service received is recognised and when there is no uncertainty in availing/ utilising the credits.

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:

1. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
2. When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Balance Sheet.

v) Assets held for sale

Non current assets or disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification of held for sale is met when the non current asset or the disposal group is available for immediate sale and the same is highly probable of being completed within one year from the date of classification as held for sale. Non current assets or disposal groups held for sale are measured at the lower of carrying amount and fair value, less cost to sell.

A gain or loss of the non-current asset is recognised at the date of de-recognition. Once classified as held-for-sale, property, plant and equipment are no longer amortised or depreciated.

2A. 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.

3. Property, plant and equipment and capital work-in-progress

(Rs. lakhs)

Particulars	Freehold land@	Leasehold land@	Leasehold Improvement	Buildings	Plant and equipment	Vehicles	Office equipment	Furniture and fixtures	Total	Capital work-in-progress
Gross carrying amount										
Balance as at April 1, 2022	789.26	465.35	423.56	5,356.65	56,069.50	1,078.33	1,374.22	265.81	65,822.69	3,256.06
Add: Additions during the year	34.14	-	-	839.67	6,462.32	304.35	222.27	23.66	7,886.41	4,219.78
Less: Disposals/Adjustments/ Capitalised during the year	1.11	-	-	45.25	15.88	95.78	29.46	16.54	204.01	7,255.23
Balance as at March 31, 2023	822.29	465.35	423.56	6,151.07	62,515.94	1,286.90	1,567.03	272.93	73,505.09	220.61
Add: Additions during the year	**-**	**-**	**-**	**272.50**	**2,224.29**	**297.43**	**86.42**	**19.04**	**2,899.68**	**2,908.31**
Less: Disposals/Adjustments/ Capitalised during the year	**-**	**-**	**-**	**-**	**223.75**	**213.64**	**33.73**	**6.87**	**477.99**	**2,444.74**
Balance as at March 31, 2024	**822.29**	**465.35**	**423.56**	**6,423.57**	**64,516.48**	**1,370.69**	**1,619.72**	**285.10**	**75,926.78**	**684.18**
Accumulated depreciation										
Balance as at April 1, 2022	-	-	79.24	1,110.38	9,219.99	341.76	409.97	121.10	11,282.44	-
Add: Depreciation expense for the year	-	-	46.62	157.45	2,432.73	135.22	254.15	35.31	3,061.48	-
Less: Disposals / adjustments during the year	-	-	0.01	2.72	12.19	49.86	23.82	0.56	89.15	-
Balance as at March 31, 2023	**-**	**-**	**125.85**	**1,265.11**	**11,640.53**	**427.12**	**640.30**	**155.85**	**14,254.77**	**-**
Add: Depreciation expense for the year	**-**	**-**	**32.00**	**194.94**	**2,639.51**	**160.00**	**272.46**	**33.00**	**3,331.91**	**-**
Less: Disposals / adjustments during the year	**-**	**-**	**-**	**-**	**141.41**	**150.34**	**31.21**	**4.46**	**327.42**	**-**
Balance as at March 31, 2024	**-**	**-**	**157.85**	**1,460.05**	**14,138.63**	**436.78**	**881.55**	**184.39**	**17,259.26**	**-**
Net carrying value										
As at March 31, 2024	**822.29**	**465.35**	**265.71**	**4,963.52**	**50,377.85**	**933.91**	**738.17**	**100.71**	**58,667.52**	**684.18**
As at March 31, 2023	822.29	465.35	297.71	4,885.96	50,875.40	859.78	926.73	117.08	59,250.32	220.61

Ageing of Capital work-in-progress is as under:

(Rs. lakhs)

Capital work-in-progress	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024					
Projects in progress	**684.18**	-	-	-	**684.18**
Total	**684.18**	-	-	-	**684.18**
As at March 31, 2023					
Projects in progress	220.61	-	-	-	220.61
Total	220.61	-	-	-	220.61

@ Refer note 51 for details of immovable properties which are not yet endorsed in the name of the Company.

Notes:

1) For contractual commitments with respect to Capital work-in-progress, refer note 41 (B).
2) For details on property, plant and equipment & capital work-in-progress mortgaged/charged against borrowings, refer note 53.
3) Borrowing cost capitalised during the year Rs. Nil (March 31, 2023- Nil) with a capitalisation rate of Nil (March 31, 2023- Nil)
4) Leasehold lands are in the nature of perpetual lease.

4. Intangible assets

(Rs. lakhs)

Particulars	Intangible assets- Software
Gross carrying amount	
Balance as at March 31, 2022	546.83
Add: Additions during the year	2.12
Less: Disposals / adjustments / capitalized during the year	2.39
Balance as at March 31, 2023	**546.56**
Add: Additions during the year	**1.46**
Less: Disposals / adjustments / capitalized during the year	-
Balance as at March 31, 2024	**548.02**
Accumulated amortisation	
Balance as at March 31, 2022	222.94
Add: Amortisation expense for the year	87.83
Less: Disposals / adjustments during the year	2.37
Balance as at March 31, 2023	**308.40**
Add: Amortisation expense for the year	**83.73**
Less: Disposals / adjustments during the year	-
Balance as at March 31, 2024	**392.13**
Net carrying value	
As at March 31, 2024	**155.89**
As at March 31, 2023	238.16

Refer note 53 for information on assets charged as security by the Company.

5. Investments- Non current

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
Investment in equity instruments		
Unquoted equity instruments at cost		
Daurala Co-operative Development Union Limited 2 (March 31, 2023 - 2) equity shares of face value of Rs. 10 each, fully paid up*	**0.00**	0.00
Zyrone Dynamics Havacilik Danismanlik ve Ar-Ge Sanayi ve Ticaret A.S. 9,797 (March 31, 2023-9,797) equity shares of face value of 1 Turkish Lira each, fully paid up	**314.50**	314.50
Investment in equity instruments of subsidiaries at cost		
Unquoted equity instruments		
Daurala Foods & Beverages Private Limited 75,00,000 (March 31, 2023 - 75,00,000) equity shares of face value of Rs. 10 each, fully paid up	**447.40**	447.40
DCM Shriram Fine Chemicals Limited 10,00,00,000 (March 31, 2023-10,00,00,000) equity shares of face value of Rs. 2 each, fully paid up	**2,000.00**	2,000.00
DCM Shriram International Limited 50,000 (March 31, 2023-50,000) equity shares of face value of Rs. 2 each, fully paid up	**1.00**	1.00
Investments in equity instruments of associate at cost		
Unquoted equity instruments		
DCM Hyundai Limited 19,72,000 (March 31, 2023 - 19,72,000) equity shares of face value of Rs. 10 each, fully paid up	**166.00**	166.00
Sub total	**2,928.90**	2,928.90
Advance for share capital		
DCM Shriram Fine Chemicals Limited (Refer note 55)	**742.55**	331.27
DCM Shriram International Limited (Refer note 55)	**0.34**	0.34
Sub total	**742.89**	331.61
Total	**3,671.79**	3,260.51
Aggregate value of non-current unquoted investments	**3,671.79**	3,260.51

* The investment is valued at Rs.20

6. Loans- Non current

(unsecured, considered good unless otherwise stated)

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
Loans to employees	**35.82**	62.82
Total	**35.82**	62.82

Refer note 53 for information on assets charged as security by the Company.

7. Other financial assets- Non current

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
Security deposits (Unsecured, considered good)		
- to related parties (refer note 45)	**35.14**	30.98
- Others	**445.62**	487.74
Bank deposits		
- with more than 12 months maturity	**81.27**	-
- held as margin money or security against borrowings, guarantees and other commitments	**26.24**	20.10
Interest accrued on term deposits	**-**	0.82
Total	**588.27**	539.64

Refer note 53 for information on assets charged as security by the Company.

8. Income tax assets (net)

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
Advance income tax (net of provision)	**2,344.65**	1,652.01
Total	**2,344.65**	1,652.01

Refer note 53 for information on assets charged as security by the Company.

9. Other non-current assets

(unsecured, considered good unless otherwise stated)

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
To related parties (refer note 45)		
Capital advances	**-**	24.00
To parties other than related parties		
Capital advances	**42.16**	6.17
Advance other than capital advances		
Deferred rent	**2.96**	3.33
Government dues paid and recoverable (refer note 52)	**5,667.02**	5,309.18
Balance with government authorities	**4.18**	4.18
Advances to employees	**25.06**	40.06
Prepaid expenses	**109.50**	18.82
Total	**5,850.88**	5,405.74

Refer note 53 for information on assets charged as security by the Company.

10. Inventories

(Valued at lower of cost and net realisable value)

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
Raw materials*	**10,415.79**	12,639.17
Work in progress	**1,848.08**	1,927.85
Finished goods**#	**55,252.30**	42,019.79
Stores and spares	**6,438.30**	6,896.10
Total	**73,954.47**	63,482.91

* Include raw materials in transit Rs. 250.10 lakhs (March 31, 2023: Rs. 828.65 lakhs)

** Include finished goods in transit Rs. 1,051.06 lakhs (March 31, 2023: Rs. 1,337.47 lakhs)

The write-down of inventories to net realisable value amounted to Rs. 786.21 lakhs (March 31, 2023: Rs. 445.46 lakhs)

The write-down is included in changes in inventories of finished goods.

Refer note 53 for information on assets charged as security by the Company.

11. Investments- Current

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
Investment in mutual funds measured at fair value through profit and loss		
Unquoted investment		
1,326.72 (March 31, 2023: 23,916.09) HDFC Liquid Fund – Growth Direct Plan Units of Rs. 1000 each	**62.93**	1,057.86
5,71,951.25 (March 31, 2023: 2,30,362.72) ICICI Prudential Liquid Fund – Growth Direct Plan Units of Rs. 100 each	**2,044.19**	767.53
33,122.67 (March 31, 2023: 28,665.21) SBI Liquid Fund – Growth Direct Plan Units of Rs. 1000 each	**1,251.80**	1,009.96
Total	**3,358.92**	2,835.35
Aggregate amount of unquoted investments	**3,358.92**	2,835.35

12. Trade receivables

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
To parties other than related parties		
Unsecured, considered good	**27,587.24**	24,224.22
Unsecured, considered credit impaired	**10.10**	34.97
	27,597.34	24,259.19
Less : Loss allowance for trade receivables	**10.10**	34.97
Total	**27,587.24**	24,224.22

Ageing of trade receivables as on March 31, 2024 is as under: **(Rs. Lakhs)**

Particulars	Not due	Outstanding for following periods from due date of payment*					
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
- Undisputed Trade Receivables- considered good	24,268.20	3,219.58	9.62	6.54	3.52	4.75	27,512.21
- Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
- Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
- Disputed Trade Receivables- considered good	-	-	-	-	75.03	-	75.03
- Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
- Disputed Trade Receivables- credit impaired	-	-	-	-	10.10	-	10.10
Total	24,268.20	3,219.58	9.62	6.54	88.65	4.75	27,597.34

* In case no due date of payment is specified, disclosure is from the date of the transaction.

Ageing of trade receivables as on March 31, 2023 is as under: **(Rs. Lakhs)**

Particulars	Not due	Outstanding for following periods from due date of payment*					
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
- Undisputed Trade Receivables- considered good	23,139.08	988.30	4.82	8.67	7.62	0.70	24,149.19
- Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
- Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
- Disputed Trade Receivables- considered good	-	-	-	75.03	-	-	75.03
- Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
- Disputed Trade Receivables- credit impaired	-	-	-	10.10	-	24.87	34.97
Total	23,139.08	988.30	4.82	93.80	7.62	25.57	24,259.19

* In case no due date of payment is specified, disclosure is from the date of the transaction.
The Company's exposure to credit and currency risks are disclosed in note 46.
Refer note 53 for information on assets charged as security by the Company.

13. Cash and cash equivalents

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
Balances with banks		
- On current accounts	**1,860.20**	457.90
Cash on hand	**16.20**	16.55
Total	**1,876.40**	474.45

Refer note 53 for information on assets charged as security by the Company.

14. Other bank balances

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
Deposits with original maturity of more than three months but upto twelve months		
- earmarked deposits held as margin money or security against borrowings, guarantees and other commitments	**1,027.87**	538.12
Earmarked balances with banks – unclaimed dividend accounts	**158.39**	210.89
Total	**1,186.26**	749.01

Refer note 53 for information on assets charged as security by the Company.

15. Loans- Current

(unsecured, considered good unless otherwise stated)

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
To parties other than related parties		
Loans to employees (including accrued interest)	**19.73**	18.56
Others	**-**	0.62
Total	**19.73**	19.18

Refer note 53 for information on assets charged as security by the Company.

16. Other financial assets- Current
(unsecured, considered good unless otherwise stated)

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
To parties other than related parties		
Security deposits	**53.95**	-
Interest accrued on term deposits	**-**	52.66
Government grant receivable	**141.24**	151.62
Reimbursement assets (Refer note 52)	**30,580.42**	26,312.70
Deposits with original maturity of more than twelve months		
- earmarked deposits held as margin money or security against		
borrowings, guarantees and other commitments	**2,409.21**	-
Other receivables	**299.95**	278.70
Total	**33,484.77**	26,795.68

Refer note 53 for information on assets charged as security by the Company.

17. Other current assets
(unsecured, considered good unless otherwise stated)

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
To parties other than related parties		
Advances to contractors	**296.02**	272.51
Other advances		
Advance to employees	**30.92**	22.76
Balance with government authorities	**1,349.81**	1,049.20
Duty drawback and other incentive receivables	**226.02**	76.07
Prepaid expenses	**352.85**	322.31
Net defined benefit asset- Gratuity	**505.28**	308.76
Other receivables	**79.63**	111.27
Total	**2,840.53**	2,162.88

Refer note 53 for information on assets charged as security by the Company.

18. Equity share capital

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
a) Authorised		
32,50,00,000 equity shares of Rs. 2 each (March 31, 2023: 32,50,00,000 of Rs. 2 each)	6,500.00	6,500.00
b) Issued, subscribed and fully paid-up		
8,69,92,185 equity shares of Rs. 2 each fully paid-up (March 31, 2023: 8,69,92,185 of Rs. 2 each)	1,739.84	1,739.84

c) Reconciliation of the 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 Rs. lakhs	Number of shares	Amount Rs. lakhs
Equity shares				
At the commencement of the year	**8,69,92,185**	**1,739.84**	8,69,92,185	1,739.84
Add: Shares issued	**-**	**-**	-	-
At the end of the year	**8,69,92,185**	**1,739.84**	8,69,92,185	1,739.84

d) 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 amounts. The distribution will be in proportion to the equity shares held by the shareholders. The Company declares and pays dividends in Indian Rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend.

e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares @ Rs 2 each	% of holding	Number of shares @ Rs. 2 each	% of holding
Lily Commercial Private Limited*	**4,35,88,680**	**50.11**	1,63,21,115	18.76
Versa Trading Limited*	**-**	**-**	1,33,03,540	15.30
HB Portfolio Limited	**40,77,132**	**4.69**	60,21,756	6.92
Bantam Enterprises Private Limited*	**-**	**-**	67,84,840	7.80

f) Details of shareholding of Promoters in the Company is as under:

S. No.	Promoter Name	As at March 31, 2024			As at March 31, 2023		
		Number of shares @ Rs 2 each	% of total shares	% Change during the year	Number of shares @ Rs 2 each	% of total shares	% Change during the year
1	Lily Commercial Private Limited*	**4,35,88,680**	**50.11**	**167.07%**	1,63,21,115	18.76	3.61%
2	Versa Trading Private Limited*	**-**	**-**	**-100.00%**	1,33,03,540	15.30	3.22%
3	Bantam Enterprises Private Limited*	**-**	**-**	**-100.00%**	67,84,840	7.80	-
4	Hi-Vac Wares Private Limited*	**-**	**-**	**-100.00%**	39,66,285	4.56	-
5	H. R. Travels Private Limited*	**-**	**-**	**-100.00%**	32,12,900	3.69	-
6	Aditi Dhar	**500**	**0.00**	**-**	500	0.00	-
7	Akshay Dhar	**500**	**0.00**	**-**	500	0.00	-
8	Divya Shriram	**435**	**0.00**	**-**	435	0.00	-
	Total	**4,35,90,115**	**50.11%**	**-**	**4,35,90,115**	**50.11%**	**-**

* A Composite Scheme of Amalgamation for the merger of Versa Trading Private Limited, Bantam Enterprises Private Limited, Hi-Vac Wares Private Limited and HR Travels Private Limited into and with the Lily Commercial Private Limited with effect from 1 April 2023 (which is the appointed date under the scheme) has been approved by the NCLT.

g) 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 during the previous 5 years.

	19. Other equity	**As at March 31, 2024 Rs. lakhs**	As at March 31, 2023 Rs. lakhs
a.	**Amalgamation reserve**		
	Balance as at the beginning and at the end of the year	**1,411.38**	1,411.38
b.	**General reserve**		
	Balance as at the beginning and at the end of the year	**13,465.60**	13,465.60
c.	**Capital redemption reserve**		
	Balance as at the beginning and at the end of the year	**0.10**	0.10
d.	**Securities Premium**		
	Balance as at the beginning and at the end of the year	**3,406.68**	3,406.68
e.	**Retained earnings**		
	Balance as at the beginning of the year	**49,897.28**	45,414.01
	Add: Profit for the year	**11,494.12**	6,026.04
	Items of other comprehensive income recognised directly in retained earnings		
	Remeasurement of defined benefit obligation, net of tax*	**70.86**	(237.89)
	Less: Appropriations		
	Final dividend on equity shares [Dividend per share Rs. Nil per share of nominal value of Rs. 2/- each (March 31, 2023: Rs. 0.5/- per share of nominal value of Rs. 2/- each)]	**-**	(434.96)
	Interim dividend on equity shares [Dividend per share Rs. 2/- per share of nominal value of Rs. 2/- each (March 31, 2023: Rs. 1/- per share of nominal value of Rs. 2/- each)]	**(1,739.84)**	(869.92)
	Balance at the end of the year	**59,722.42**	49,897.28
	Total	**78,006.18**	68,181.04

* Included in 'Items of other comprehensive income' in statement of changes in equity.

20. Borrowings- Non current

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
From related parties (refer note 45)		
Unsecured loans		
Public deposits	**440.80**	437.04
From parties other than related parties		
Secured loans		
Term loans from banks	**7,224.93**	13,109.57
Term loans from others	**354.64**	469.71
Unsecured loans		
Public deposits	**462.06**	479.52
	8,482.43	14,495.84
Less: Current maturities of long term borrowings	**4,928.99**	7,164.83
Total	**3,553.44**	7,331.01
Details of current maturities of long term borrowings:		
Secured loans		
Term loans from banks	**4,437.53**	6,793.10
Term loans from others	**107.39**	115.07
Unsecured loans		
Public deposits	**384.07**	256.66
	4,928.99	7,164.83

A. SECURED

I. From Banks

a) Rs.271.21 lakhs (March 31,2023: Rs.1,356.04 lakhs) carrying interest of 5% p.a., repayable in 3 monthly instalments, is secured by first pari-passu charge on all the immovable and movable properties of the Company excluding assets on exclusive charges.

b) Nil (March 31,2023: Rs.267.19 lakhs), Nil lakhs (March 31,2023: Rs.180.18 lakhs) and Rs.1,039.98 lakhs (March 31,2023: Rs.2,076.41 lakhs) carrying interest linked to lender's 1 year MCLR, repayable in 4 quarterly instalments, were/are secured by first pari-passu charge on all the immovable and movable properties of the Company excluding assets on exclusive charges.

c) Rs.2,916.89 lakhs (March 31,2023: Rs.4,338.97 Lakhs) carrying interest linked to lender's 1 year MCLR and spread thereon, repayable in 10 quarterly instalments, is secured by first pari-passu charge on all the immovable and movable properties of the Company excluding assets on exclusive charges.

d) Rs.1,736.47 lakhs (March 31,2023: Rs.2,941.50 lakhs) carrying interest of 8% p.a., repayable in 18 monthly instalments, is secured by first pari-passu charge by way of mortgage/hypothecation on all the fixed assets of the Company, excluding assets on exclusive charges.

e) Nil (March 31,2023: Rs.333.26 lakhs) and Rs.156.25 (March 31,2023: Rs.781.25 lakhs) carrying interest rate of 8.95% p.a., repayable in 1 quarterly instalment, were/are secured by residual pari-passu charge on fixed assets of sugar factory at Daurala Sugar Works, a unit of the Company.

f) Rs.145.12 lakhs (March 31,2023: Rs.762.90 lakhs) carrying interest linked to lender's 1 year MCLR and spread thereon with 50% interest subvention on part of the loan, repayable in 1 quarterly instalment, is secured by first pari-passu charge on fixed assets of Daurala Sugar Works - Sugar & Alcohol division, a unit of the Company.

g) Rs.900.00 lakhs (March 31,2023: Nil) carrying interest linked to lender's 1 year MCLR and spread thereon, repayable in 20 quarterly instalments, is secured by first pari-passu charge on fixed assets of Daurala Sugar Works - Sugar & Alcohol division, a unit of the Company.

h) Rs.59.02 Lakhs (March 31,2023: Rs.71.87 lakhs) is secured by hypothecation of specific asset carrying interest of 8.50%, repayable in 45 monthly instalments.

II. From Others

i) Rs.346.15 lakhs (March 31,2023: Rs.445.05 lakhs) carrying interest linked to RBI's Bank rate minus 2%., repayable in 7 half yearly instalments, is secured by first pari-passu charge on immovable and movable properties of sugar factory at Daurala Sugar Works, a unit of the Company.

ii) Rs.8.49 lakhs (March 31,2023: Rs.24.66 lakhs) is secured by hypothecation of specific asset carrying interest of 6.63%, repayable in 6 monthly instalments.

B. Unsecured

Rs.902.86 lakhs (March 31,2023: Rs.916.56 lakhs), deposits from public, carries interest between 9% p.a to 10% p.a., are currently repayable after 3 years from the date of acceptance of deposits.

C. The quarterly returns/statements filed by the Company with the banks are in agreement with the books of account of the Company.

21. Other financial liabilities- Non current

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
From related parties (refer note 45)		
Interest accrued but not due on borrowings	**24.30**	28.28
From parties other than related parties		
Interest accrued but not due on borrowings	**27.62**	1.08
Deposits from contractors and others	**10.37**	10.29
Due to customer (refer note 52)	**5,667.02**	5,331.53
Other payables	**41.96**	44.52
Total	**5,771.27**	5,415.70

22. Provisions- Non current

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
Provision for employee benefits (refer note 44)		
- Compensated absences	**1,002.14**	903.95
Provision for contingencies*	**100.00**	100.00
Total	**1,102.14**	1,003.95

* Provision for contingencies represents the maximum possible exposure on ultimate settlement of issues relating to reorganisation arrangement of the Company. There is no movement in the provision during the year.

23. Other non-current liabilities

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
Other payables	**21.54**	58.85
Total	**21.54**	58.85

24. Borrowings- Current

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
Secured loans		
From banks - loans repayable on demand*	**42,753.38**	34,699.08
Current maturities of long term borrowings (refer note 20)	**4,928.99**	7,164.83
Total	**47,682.37**	41,863.91

*Secured by first pari-passu charge against the division's current and non-current assets (except reimbursement asset and division's property, plant and equipments), both present and future. Some of these are further secured by way of second pari-passu charge on the divisions's property, plant and equipment. These carry interest rates ranging from 5.00% to 9.50% p.a. (March 31, 2023: 1.25% to 9.50% p.a.). Also refer note 53.

25. Trade payables

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
Total outstanding dues of micro enterprises and small enterprises (MESE)*	**1,309.68**	1,215.71
Total outstanding dues other than micro enterprises and small enterprises#	**30,370.78**	26,258.86
Total	**31,680.46**	27,474.57

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

Particulars	Not due^	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
- MESE	908.05	401.63	-	-	-	**1,309.68**
- Others	4,691.34	25,630.33	10.53	36.27	2.28	**30,370.75**
- Disputed dues - Others	-	-	-	-	-	**-**
Total	**5,599.39**	**26,031.96**	**10.53**	**36.27**	**2.28**	**31,680.43**

In case no due date of payment is specified, disclosure is from the date of the transaction.

Ageing of trade payable as on March 31, 2023 is as under :

Particulars	Not due^	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
- MESE	24.82	1,190.89	-		-	1,215.71
- Others	1,735.38	23,842.62	676.92	3.94	-	26,258.86
- Disputed dues - Others	-	-	-	-		-
Total	**1,760.20**	**25,033.51**	**676.92**	**3.94**	**-**	**27,474.57**

In case no due date of payment is specified, disclosure is from the date of the transaction.

* Refer note 49 for Micro and Small Enterprises.

Includes payable to related parties Rs. 208.52 lakhs (March 31, 2023 Rs. 113.36 lakhs), refer note 45.

^ Includes unbilled dues.

Notes:

a) Includes acceptances Rs. 6,816.34 lakhs (March 31, 2023 Rs. 4,097.96 lakhs).

b) The Company's exposure to currency and liquidity risks related to trade payables is disclosed in Note 46.

26. Other financial liabilities- Current

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
From related parties (Refer note 45)		
Interest accrued but not due on borrowings	**28.52**	32.77
Employees related payable	**1,340.24**	481.67
Dividend payable	**871.80**	-
From parties other than related parties		
Dividend payable	**868.04**	-
Creditors for capital purchases	**191.60**	312.51
Security deposits	**47.99**	476.42
Interest accrued but not due on borrowings	**43.07**	110.67
Unclaimed dividends*	**158.39**	210.89
Other financial liabilities		
- Deposits from contractors and others	**608.48**	600.38
- Employees related payable	**1,333.98**	1,954.71
- Other payables	**65.44**	63.25
Total	**5,557.55**	4,243.27

* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013 as at the year end.

27. Other current liabilities

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
Advances from customers	**359.65**	487.23
Statutory dues payable	**933.54**	907.03
Other payables	**157.33**	154.83
Total	**1,450.52**	1,549.09

28. Provision- Current

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
Provision for employee benefits (Refer note 44)		
- Compensated absences	**705.66**	604.37
- Provident fund trust	**2.00**	89.04
Provision for contingencies* (Refer note 52)	**30,580.42**	26,312.70
Total	**31,288.08**	27,006.11

*During the year, the Company has recognised a provision for contingencies of Rs. 4,267.72 lakhs (FY 2022-23: Rs. 10,579.45 lakhs). Consequently, the provision for contingencies of Rs. 26,312.70 lakhs as at March 31, 2023 (Rs. 15,733.25 lakhs as at March 31, 2022) has increased to Rs. 30,580.42 lakhs as on March 31, 2024.

29. Revenue from operations

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Sale of products@		
Export	**66,631.80**	48,434.05
Domestic	**1,35,794.71**	1,78,524.11
	2,02,426.51	2,26,958.16
Sale of services@		
Processing charges	**3,191.67**	5,733.65
	2,05,618.18	2,32,691.81
Other operating revenue		
Sale of scrap	**627.97**	971.94
Duty drawback, export benefits and other government assistance*	**1,548.70**	1,057.57
Sale of renewable energy certificates	**62.21**	197.27
Other operating income	**433.12**	173.88
Total	**2,08,290.18**	2,35,092.47

* Refer note 50

@ Refer note 39 for disaggregation of revenue

Contract balances	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
Trade receivables (Refer note 12)	**27,587.24**	24,224.22
Contract liabilites		
Advances from customers (Refer note 27)	**359.65**	487.23

Reconciliation of revenue recognised with the contracted price is as follows:

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Contracted price	**2,06,191.24**	2,33,126.53
Less: Discounts	**573.06**	434.72
	2,05,618.18	2,32,691.81

The amount of Rs. 329.02 lakhs included in contract liabilities at March 31, 2023 has been recognised as revenue during the year ended March 31, 2024 (March 31, 2023: Rs. 488.75 lakhs)

Revenue from sale of goods is recognised at the point in time when control of products is transferred to the customer. Amounts disclosed as revenue are net of returns and allowances, trade discounts and rebates.

Invoices are generated at that point in time. Invoices are usually payable within 180 days.

30. Other income

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Interest income from financial assets measured at amortised cost		
From deposits with banks	**130.01**	44.56
Unwinding of discount on security deposits	**0.25**	0.36
Interest subsidy*	**210.94**	290.81

30. Other income (Contd.)

Other non-operating income		
Provisions/liabilities no longer required, written back	**109.16**	342.20
Rental income	**50.01**	101.28
Profit on sale of property, plant and equipment (net)	**11.42**	16.38
Profit on sale of current investments	**137.62**	43.98
Net change in fair value of financial assets measured at fair value through profit or loss	**97.88**	66.29
Gain on foreign exchange fluctuation (net)	**1,259.74**	676.56
Miscellaneous income	**154.29**	106.08
Total	**2,161.32**	1,688.50

* Refer note 50

31. Cost of materials consumed

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Raw materials at the beginning of the year	**12,639.73**	9,494.16
Add: Purchases	**1,28,078.17**	1,33,734.87
	1,40,717.90	1,43,229.03
Less: Raw materials at the end of the year	**10,415.79**	12,639.73
Total	**1,30,302.11**	1,30,589.30
Particulars of materials consumed are as under:		
Sugarcane	**80,709.56**	82,556.37
Wood pulp	**14,172.99**	11,145.76
Others	**35,419.56**	36,887.18
Total	**1,30,302.11**	1,30,589.30

32. Purchase of traded goods

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Grain spirits	**5,713.42**	24,148.52
Total	**5,713.42**	24,148.52

33. Changes in inventories of finished goods and work-in-progress

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Opening stock		
Finished goods	**42,019.79**	44,745.27
Work-in-progress	**1,927.85**	2,568.58
Total	**43,947.64**	47,313.85
Closing stock		
Finished goods	**55,252.30**	42,019.79
Work-in-progress	**1,848.08**	1,927.85
Total	**57,100.38**	43,947.64
	(13,152.74)	3,366.21

33. Changes in inventories of finished goods and work-in-progress (contd.)

Changes in inventories of finished goods and work-in-progress

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Finished goods	**(13,232.51)**	2,725.48
Work-in-progress	**79.77**	640.73
	(13,152.74)	3,366.21

Particulars of stocks of finished goods and work-in-progress are as under :

Finished goods		
Sugar	**49,394.42**	33,913.56
Alcohol	**1,345.60**	827.24
Organic/ Fine chemicals	**643.96**	441.20
Industrial fibers	**3,868.32**	6,837.79
Total	**55,252.30**	42,019.79
Work-in-progress		
Sugar	**1,029.07**	640.74
Alcohol	**75.68**	194.49
Organic/ Fine chemicals	**188.16**	518.49
Industrial fibers	**555.17**	574.13
Total	**1,848.08**	1,927.85

34. Employee benefits expense

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Salaries, wages and bonus* #	**17,238.06**	16,274.10
Contribution to provident and other funds*	**1,679.27**	1,882.42
Staff welfare expenses	**493.24**	481.00
Total	**19,410.57**	18,637.52

* Refer note 44

Includes payment to contractual labour

35. Finance costs

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Interest expense*#	**3,421.14**	3,270.97
Other borrowing costs	**135.31**	70.84
Total	**3,556.45**	3,341.81

* Refer note 50

includes Rs.143.62 lakhs interest on lease liabilities (March 31,2023: Rs.148.59 lakhs)

36. Depreciation and amortisation expense

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Depreciation on property, plant and equipment (refer note 3)	**3,331.91**	3,061.48
Amortisation on intangible assets (refer note 4)	**83.73**	87.83
Amortisation on right-of-use assets (refer note 40)	**472.08**	439.21
Total	**3,887.72**	3,588.52

37. Other expenses

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Consumption of stores and spares	**10,528.34**	11,738.42
Power and fuel	**12,605.20**	11,818.00
Commission to selling agents	**3,909.95**	2,655.10
Freight and transport	**1,954.76**	2,221.81
Insurance	**294.31**	314.88
Rates and taxes	**842.86**	394.52
Repairs and maintenance		
- Buildings	**950.80**	826.46
- Plant and machinery	**6,255.44**	5,838.13
Corporate social responsibility (refer note below)	**197.00**	180.11
Rent (refer note 40)	**33.12**	62.97
Payments to auditors		
- Statutory audit fee	**50.00**	59.00
- Limited review of unaudited financial results	**37.50**	37.50
- Certification of statements	**21.50**	3.50
- Out-of-pocket expenses	**6.83**	6.99
Provision for doubtful debts	**-**	10.10
Fulfillment and other operating expenses	**1,250.36**	2,012.56
Professional expenses	**1,065.30**	1,216.75
Miscellaneous expenses	**3,546.51**	4,681.92
Total	**43,549.78**	44,078.72

Note: Details of corporate social responsibility expenditure

a) Amount approved by Board of Directors required to be spent by the Company during the year	**183.41**	187.22
b) Amount spent during the year (in cash)		
(i) Construction/acquisition of any asset	**-**	-
(ii) On purposes other than (i) above	**184.91**	175.13
c) Amount unspent *	**-**	12.09

d) Nature of CSR activities	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
(i) Promoting health care including preventive health and sanitation	**45.64**	22.93
(ii) Promoting education, including special education and employment	**56.23**	52.62
(iii) Empowering women and support to senior citizen	**10.47**	3.08
(iv) Environmental sustainability and conservation of natural resources and maintaining quality of soil, air and water	**18.27**	21.40
(v) Promotion and development of traditional arts and handicrafts	**38.00**	21.94
(vi) Measures for the benefit of armed forces veterans and war widows	**-**	10.00
(vii) Training to promote rural sports	**6.50**	5.90
(viii) Contribution to Prime Minister's National Relief Fund and PM CARES Fund	**3.55**	18.75
(ix) Rural development project	**-**	13.01
(x) Amount spent in administrative overhead	**6.25**	5.50
	184.91	175.13

e) Details of related party transactions in relation to CSR expenditure (refer note 45)

* Spent subsequent to the year end

38. Income tax expense

A. Amounts recognised in statement of profit and loss

The major components of income tax expense for the years ended March 31, 2024 and March 31, 2023 are:

(Rs. Lakhs)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax expense	**5,606.78**	2,243.73
Tax relating to earlier years	**(265.00)**	-
Total tax expense	**5,341.78**	2,243.73
Deferred tax charge	**348.29**	760.60
Income tax expense reported in the statement of profit and loss	**5,690.07**	3,004.33

B. Amounts recognised in other comprehensive income

The major components of income tax expense for the years ended March 31, 2024 and March 31, 2023 are:

(Rs. Lakhs)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Income tax		
Remeasurement of post employment benefit obligation	**(38.07)**	127.78
Income tax charges to other comprehensive (expense) / income	**(38.07)**	127.78

C. Reconciliation of effective tax rate

Reconciliation of tax expense and the accounting profit, based on India's domestic tax rate for the year ended March 31, 2024 and March 31, 2023:

(Rs. Lakhs)

	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Rate	**Amount**	**Rate**	**Amount**
Profit before tax including OCI		**17,293.12**		8,664.70
Tax based on domestic tax rate	**34.94%**	**6,042.91**	34.94%	3,027.79
Tax effect of:				
Tax relating to earlier years	**(1.53)%**	**(265.00)**	0.00%	-
Non-deductible expenses	**0.40%**	**68.84**	0.73%	62.94
Impact on deferred tax due to change in tax rate for future years	**(0.79)%**	**(136.00)**	(3.10)%	(268.86)
Others	**0.10%**	**17.39**	0.63%	54.67
Effective tax rate	**33.12%**	**5,728.14**	33.20%	2,876.55

The Company continues to pay income tax under the old tax regime and has not opted for lower tax rate pursuant to Taxation Law (Amendment) Ordinance, 2019 (Section 115BAA of The Income Tax Act, 1961) considering the accumulated MAT credit and other benefits under The Income Tax Act, 1961. The Company plans to opt for lower tax regime once these benefits are utilised, which is expected by financial year ending March 31, 2025. Accordingly, deferred tax liability on temporary differences which are expected to reverse after the financial year ending March 31, 2025 has been re-measured considering the revised rate.

D. Deferred tax assets/ liabilities

(Rs. Lakhs)

Particulars	Deferred tax assets		Deferred tax liabilities		Net deferred tax assets/ (liabilities)	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Accrued expenses deductible on payment	**166.91**	261.95	**-**	-	**166.91**	261.95
Provisions for gratuity, compensated absences and other employee benefits	**420.21**	419.17	**-**	-	**420.21**	419.17
Loss allowance for trade receivables	**3.53**	12.22	**-**	-	**3.53**	12.22
Loss allowance for other assets	**7.48**	7.48			**7.48**	7.48
Difference in written down values as per books and as per tax laws of property, plant and equipment/ intangible assets	**-**	-	**8,384.11**	8,034.11	**(8,384.11)**	(8,034.11)
Others	**210.96**	144.49	**24.94**	24.81	**186.02**	119.68
	809.09	845.31	**8,409.05**	8,058.92	**(7,599.96)**	(7,213.61)
MAT credit entitlement **	**-**	1,893.34	**-**	-	**-**	1,893.34
Net deferred tax assets / (liabilities)	**809.09**	2,738.65	**8,409.05**	8,058.92	**(7,599.96)**	(5,320.27)

** MAT credit entitlement in the Statement of profit and loss forms part of deferred tax charge for the year.

E. Movement in temporary differences

For the year ended March 31, 2024

(Rs. Lakhs)

Particulars	Opening balance	Recognised in statement of Profit & Loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets				
Accrued expenses deductible on payment	**261.95**	**(95.04)**	**-**	**166.91**
Provisions for gratuity, compensated absences and other employee benefits	**419.17**	**39.10**	**(38.07)**	**420.21**
Loss allowance for trade receivables	**12.22**	**(8.69)**	**-**	**3.53**
Loss allowance for other assets	**7.48**	**-**	**-**	**7.48**
Others	**144.49**	**66.47**	**-**	**210.96**
	845.31	**1.84**	**(38.07)**	**809.09**
Deferred tax liabilities				
Difference in written down values as per books and as per tax laws of property, plant and equipment/ intangible assets	**(8,034.11)**	**(350.00)**	**-**	**(8,384.11)**
Others	**(24.81)**	**(0.13)**	**-**	**(24.94)**
	(8,058.92)	**(350.13)**	**-**	**(8,409.05)**
Total	**(7,213.61)**	**(348.29)**	**(38.07)**	**(7,599.96)**

For the year ended March 31, 2023 **(Rs. Lakhs)**

Particulars	Opening balance	Recognised in statement of Profit & Loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets				
Accrued expenses deductible on payment	307.15	(45.20)	-	261.95
Provisions for gratuity, compensated absences and other employee benefits	311.42	(20.03)	127.78	419.17
Loss allowance for trade receivables	8.66	3.56	-	12.22
Loss allowance for other assets	8.38	(0.90)	-	7.48
Others	150.35	(5.86)	-	144.49
	785.96	(68.43)	127.78	845.31
Deferred tax liabilities				
Difference in written down values as per books and as per tax laws of property, plant and equipment/ intangible assets	(7,360.11)	(674.00)	-	(8,034.11)
Others	(6.64)	(18.17)	-	(24.81)
	(7,366.75)	(692.17)	-	(8,058.92)
Total	(6,580.79)	(760.60)	127.78	(7,213.61)

F. Availability of MAT credit entitlement is upto: **(Rs. Lakhs)**

	As at March 31, 2024	As at March 31, 2023
Financial year	**Amount**	Amount
2030-31	**-**	273.41
2032-33	**-**	996.93
2033-34	**-**	623.00
	-	1,893.34

39. Operating segments

A. Basis for segmentation

In accordance with Ind AS 108 'Segment Reporting' as specified in section 133 of the Companies Act, 2013, the Company has identified three business segments viz. 'Sugar', 'Industrial fibres and related products', and 'Chemicals'. The above segments have been identified and reported taking into account the differing risks and returns, and the current internal financial reporting systems. For each of the segments, the Chief Operating Decision Maker (CODM) reviews internal management reports on at least a quarterly basis. The CODM monitors the operating results separately for the purpose of making decisions about resource allocation and performance measurement (Refer Note 2A(p)).

Segment revenue, results and capital employed include the respective amounts identifiable to each of the segments. Other unallocable expenditure includes expenses incurred on common services provided to the segments, which are not directly identifiable.

In addition to the material accounting policies applicable to the business segments as set out in note 2A(p) above, the accounting policies in relation to segment accounting are as under:

a) Segment revenue and expenses

Segment revenue and expenses are, generally, directly attributable to the segments. Joint revenue and expenses of segments are allocated amongst them on a reasonable basis.

b) Segment assets and liabilities

Segment assets include all operating assets used by a segment and consist principally of operating trade receivables, inventories and property plant and equipment and intangible assets, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities and do not include deferred income taxes and borrowings. While most of the assets / liabilities can be directly attributed to individual segments, the carrying amount of certain assets / liabilities pertaining to two or more segments are allocated to the segments on a reasonable basis.

The following summary describes the operations in each of the Company's reportable segments:

Sugar	Comprising sugar, power and alcohol
Industrial fibres and related products	Comprising rayon, synthetic yarn, cord, fabric, etc.
Chemicals	Comprising organics and fine chemicals

B. Information about reportable segments

(Rs. Lakhs)

Particulars	Reportable segments						Elimination		Total	
	Sugar		Industrial fibres and related products		Chemicals					
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Segment revenue										
- External revenues	**98,009.26**	1,42,061.35	**66,956.34**	45,122.94	**40,652.58**	45,507.52	**-**	-	**2,05,618.18**	2,32,691.81
- Other operating revenue	**287.44**	831.21	**1,755.14**	1,269.48	**629.42**	299.97	**-**	-	**2,672.00**	2,400.66
Subtotal	**98,296.70**	1,42,892.56	**68,711.48**	46,392.42	**41,282.00**	45,807.49	**-**	-	**2,08,290.18**	2,35,092.47
- Other income	**286.14**	234.07	**1,211.61**	798.18	**248.15**	193.54	**-**	-	**1,745.90**	1,225.79
- Unallocable income									**415.42**	462.71
Total income	**98,582.84**	1,43,126.63	**69,923.09**	47,190.60	**41,530.15**	46,001.03	**-**	-	**2,10,451.50**	2,36,780.97
Segment results	**3,985.26**	4,847.69	**16,910.06**	6,630.08	**4,766.02**	4,545.06	**-**	-	**25,661.34**	16,022.83
Unallocated expenses (net of unallocated income)									**4,920.70**	3,650.65
Operating profit									**20,740.64**	12,372.18
Finance costs									**3,556.45**	3,341.81
Profit before tax									**17,184.19**	9,030.37
Current tax expense									**5,341.78**	2,243.73
Deferred tax charge									**348.29**	760.60
Net profit after tax									**11,494.12**	6,026.04
Capital expenditure during the year	**1,567.65**	1,710.07	**953.54**	1,320.33	**809.36**	1,765.46	**-**	-	**3,330.55**	4,795.86
Unallocated capital expenditure during the year									**37.06**	57.22
Total capital expenditure during the year									**3,367.61**	4,853.08
Depreciation and amortisation	**1,479.92**	1,358.80	**1,189.36**	1,051.38	**748.17**	628.10	**-**	-	**3,417.45**	3,038.28
Unallocated depreciation during the year									**470.27**	550.24
Total depreciation during the year									**3,887.72**	3,588.52
Non cash expense other than depreciation	**-**	2.67	**24.82**	0.34	**-**	10.80	**-**	-	**24.82**	13.81
Unallocated non cash expense other than depreciation during the year									**-**	0.31
Total non cash expense other than depreciation during the year									**24.82**	14.12

Particulars	Reportable segments						Elimination		Total	
	Sugar		Industrial fibres and related products		Chemicals					
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Segment assets	**1,26,415.86**	1,09,690.22	**50,599.22**	48,042.55	**22,739.05**	23,512.22	**-**	-	**1,99,754.13**	1,81,244.99
Unallocated assets									**18,072.59**	11,475.52
Total assets	**1,26,415.86**	1,09,690.22	**50,599.22**	48,042.55	**22,739.05**	23,512.22	**-**	-	**2,17,826.72**	1,92,720.51
Segment liabilities	**53,649.18**	45,512.24	**13,949.10**	13,424.34	**5,026.91**	6,346.97	**-**	-	**72,625.19**	65,283.55
Share capital and reserves									**79,746.02**	69,920.88
Unallocated liabilities										
-Borrowings									**51,359.12**	49,367.73
-Others									**14,096.39**	8,148.35
Total liabilities	**53,649.18**	45,512.24	**13,949.10**	13,424.34	**5,026.91**	6,346.97	**-**	-	**2,17,826.72**	1,92,720.51
Capital employed	**72,766.68**	64,177.98	**36,650.12**	34,618.21	**17,712.14**	17,165.25	**-**	-	**1,27,128.94**	1,15,961.44

C. Reconciliations of information on reportable segments to Ind AS measures

	For the year ended March 31, 2024 Rs. Lakhs	For the year ended March 31, 2023 Rs. Lakhs
i. Total income		
Total revenue for reportable segments	**2,10,036.08**	2,36,318.26
Unallocated amounts:		
Unallocable income	**415.42**	462.71
Inter-segment elimination	**-**	-
Total income	**2,10,451.50**	2,36,780.97

	For the year ended March 31, 2024 Rs. Lakhs	For the year ended March 31, 2023 Rs. Lakhs
ii. Profit before tax		
Total profit before tax for reportable segments	**25,661.34**	16,022.83
Unallocated cost:		
Finance costs	**(3,556.45)**	(3,341.81)
Other unallocated amounts	**(4,920.70)**	(3,650.65)
Profit before tax as per statement of profit and loss	**17,184.19**	9,030.37

	For the year ended March 31, 2024 Rs. Lakhs	For the year ended March 31, 2023 Rs. Lakhs
iii. Assets		
Total assets for reportable segments	**1,99,754.13**	1,81,244.99
Unallocated amounts:		
Investments	**7,030.71**	6,095.86
Corporate assets	**11,041.88**	5,379.66
Total assets as per the balance sheet	**2,17,826.72**	1,92,720.51

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
iv. Liabilities		
Total liabilities for reportable segments	**72,625.19**	65,283.55
Unallocated amounts:		
Share capital	**1,739.84**	1,739.84
Reserves and Surplus	**78,006.18**	68,181.04
Unallocated corporate liabilities	**65,455.50**	57,516.08
Total liabilities as per the balance sheet	**2,17,826.72**	1,92,720.51

D. Geographical information

The geographical information analyses the Company's revenues and assets by the country of domicile (i.e., India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers and segment assets.

		For the year ended March 31, 2024 Rs. Lakhs	For the year ended March 31, 2023 Rs. Lakhs
i.	**Revenue from operations**		
	(a) India	**1,41,658.32**	1,86,658.42
	(b) Other countries		
	Europe	**25,795.48**	17,784.26
	China	**19,902.73**	17,841.97
	Rest of the World	**20,933.65**	12,807.82
	Total (b)	**66,631.86**	48,434.05
	(c) Inter-segment elimination	**-**	-
	Total (a+b+c)	**2,08,290.18**	2,35,092.47

		As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
ii.	**Assets**		
	Non-current segment assets		
	(a) India	**69,623.36**	69,982.20
	(b) Outside India	**-**	-
	Total (a+b)	**69,623.36**	69,982.20

Non-current segment assets include property, plant and equipments, right-of-use assets, capital work in progress, intangible assets and other non current assets.

E. Major customer

Revenue from one customer of the Company's sugar segment represented Rs. Nil (March 31, 2023: Rs. 37,380.49 lakhs) of the Company's total revenue.

40. Leases

The details of the right-of-use assets held by the Company are as follows:

(Rs. Lakhs)

Particulars	Opening as on April 1, 2023	Additions during the year	Deletions during the year	Depreciation during the year	Net carrying amount as at March 31, 2024
Building	1,313.15	644.46	-	472.08	1,485.53
	1,313.15	**644.46**	**-**	**472.08**	**1,485.53**

Particulars	Opening as on April 1, 2022	Additions during the year	Deletions during the year	Depreciation during the year	Net carrying amount as at March 31, 2023
Building	1,549.85	348.71	146.20	439.21	1,313.15
	1,549.85	**348.71**	**146.20**	**439.21**	**1,313.15**

The Company incurred Rs. 33.12 lakhs (March 31, 2023: Rs.62.97 lakhs) towards expenses relating to leases of low-value assets.

The weighted average incremental borrowing rate of 9% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

The reconciliation of lease liabilities is as follows:

Particulars	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Opening balance	**1,532.90**	1,777.66
Additions	**642.77**	350.86
Deletions	**-**	(146.20)
Amount recognised in statement of profit and loss as interest expense	**143.62**	148.59
Payment of lease liability	**(651.89)**	(598.01)
Closing balance	**1,667.40**	**1,532.90**

The following table presents a maturity analysis of expected cash flows for lease liabilities:

Particulars	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Within one year	**531.21**	436.22
More than one but upto five years	**1,004.53**	900.56
Beyond five years	**131.66**	196.12
Closing balance	**1,667.40**	1,532.90

41. Contingent liabilities and commitments (to the extent not provided for)

A. Contingent liabilities*

Particulars	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Income tax matters	**3,089.00**	4,797.75
Excise and Service tax matters	**385.74**	28.52
Claims against the Company not acknowledged as debts (excluding claims by employees, where amounts are not ascertainable)	**991.73**	968.08
Sales tax matters	**15.46**	15.46
Sugarcane related matters	**4,545.26**	4,545.26
Total	**9,027.19**	10,355.07

* Matters are subject to legal proceedings in the ordinary course of business. The legal proceedings, when ultimately concluded, are not likely to, in the opinion of the management, have a material effect on the results of the operations or financial position of the Company.

B. Commitments

a. Capital commitments: Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amount aggregating to Rs. 250.92 lakhs (March 31, 2023: Rs. 99.42 lakhs) relating to Property, plant and equipment.

b. Other commitments: The Company has other commitments, for purchase / sales orders which are issued after considering requirements per operating cycle for purchase / sale of goods and services, employee benefits including union agreement in the normal course of business. The Company does not have any long term commitments / contracts, including derivative contracts, with any material foreseeable losses.

42. A petition challenging the Preferential Issue of equity warrants by the Company filed by a shareholder before the Hon'ble Company Law Board (now National Company Law Tribunal), pending since November 2007, had been dismissed as withdrawn in the hearing held on March 07, 2023.

43. Earnings per share

Basic and diluted earnings per share

Basic and diluted earnings per share are calculated by dividing the profit during the year attributable to equity shareholders of the Company, by the weighted number of equity shares outstanding during the year.

Particulars	Unit	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit after tax attributable to equity shareholders	**Rs. Lakhs**	**11,494.12**	6,026.04
Weighted average number of equity shares outstanding during the year	**Numbers**	**8,69,92,185**	8,69,92,185
Nominal value per share	**Rs.**	**2**	2
Basic and diluted earnings per share	**Rs.**	**13.21**	6.93

44. Employee benefits

A. Defined contribution plans

Rs. 201.03 lakhs (March 31, 2023: Rs. 180.88 lakhs) for provident fund contributions and Rs. 254.02 lakhs (March 31, 2023: Rs. 247.35 lakhs) for superannuation and national pension scheme fund contributions have been charged to the Statement of Profit and Loss. The contributions towards these schemes are at the rates specified in the rules of the schemes.

B. Defined benefit plans

a) Liabilities for gratuity, privilege leaves and medical leaves are determined on actuarial basis. Gratuity liability is provided to the extent not covered by the funds available in the gratuity fund.

Gratuity:

Gratuity scheme provides for a lump sum payment to vested employees at retirement, death, while in employment, or on termination of employment. Vesting occurs upon completion of five years of service, except death while in employment.

The following table sets out the status of gratuity obligation

Particulars	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Non current	**-**	-
Current	**(505.28)**	(308.76)
Net defined benefit asset- Gratuity	**(505.28)**	(308.76)

(i) Reconciliation of the gratuity benefit liability

The following table shows a reconciliation between opening and closing balances of gratuity liability and its components:

Particulars	For the year ended March 31, 2024 Rs. Lakhs	For the year ended March 31, 2023 Rs. Lakhs
Balance at the beginning of the year	**4,460.48**	4,114.35
Current service cost	**303.41**	275.83
Interest cost	**329.18**	297.05
Actuarial loss / (gain) arising from changes in financials assumptions	**45.44**	(44.85)
Actuarial loss arising from changes in experience adjustments	**166.32**	195.89
Benefits paid	**(393.32)**	(377.79)
Balance at the end of the year	**4,911.51**	4,460.48

(ii) Reconciliation of the plan assets

The following table shows a reconciliation between opening and closing balances of the plan assets and its components:

Particulars	For the year ended March 31, 2024 Rs. Lakhs	For the year ended March 31, 2023 Rs. Lakhs
Balance at the beginning of the year	**4,769.24**	4,617.53
Expected return on plan assets	**351.97**	333.38
Contribution by the Company	**16.50**	15.34
Benefits paid	**(38.27)**	(25.49)
Actuarial gains / (losses) recognised in other comprehensive income	**317.35**	(171.52)
Balance at the end of the year	**5,416.79**	4,769.24

iii) Expense recognized in profit or loss

Particulars	For the year ended March 31, 2024 Rs. Lakhs	For the year ended March 31, 2023 Rs. Lakhs
Current service cost	**303.41**	275.83
Interest cost	**329.18**	297.05
Expected return on plan assets	**(351.97)**	(333.38)
Actuarial (gains) / losses recognised in other comprehensive income	**(105.59)**	322.56
	175.03	562.06

iv) Constitution of plan assets

Particulars	For the year ended March 31, 2024 Rs. Lakhs	For the year ended March 31, 2023 Rs. Lakhs
Funded with Life Insurance Corporation of India*	**5,416.79**	4,769.24

*The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme. The details of investments maintained by Life Insurance Corporation are not made available and have, therefore, not been disclosed.

v) Remeasurements recognized in other comprehensive income

Particulars	For the year ended March 31, 2024 Rs. Lakhs	For the year ended March 31, 2023 Rs. Lakhs
Actuarial gain / (loss) on plan assets	**317.35**	(171.52)
Actuarial (loss) / gain arising from changes in financials assumptions	**(45.44)**	44.85
Actuarial (loss) arising from changes in experience adjustments	**(166.32)**	(195.89)
	105.59	(322.56)

vi) Actuarial assumptions

Principal actuarial assumptions (expressed as weighted averages):

Particulars	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Financial assumptions		
Discount rate	**7.23%**	7.38%
Future salary growth	**5.00%**	5.00%
Rate of return on plan assets	**7.38%**	7.22%
Expected average remaining working lives of employees (years)	**16.09**	17.33
Demographic assumptions		
Mortality rate	**IALM (2012-14)**	IALM (2012-14)
Withdrawal rate	**Up to 30 years- 3%**	Up to 30 years- 3%
	31 to 44 years- 2%	31 to 44 years- 2%
	Above 44 years- 1%	Above 44 years- 1%
Retirement age	**58 years and 60 years**	58 years and 60 years

The weighted average duration of the defined benefit obligations as on March 31, 2024 is 13.35 years (March 31, 2023: 13.76 years)

Expected contributions to post-employment benefit plans for the financial year 2024-25 are Rs. 230.42 lakhs (2023-24: Rs. 221.81 lakhs).
The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. Actuarial valuations involve making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases and mortality rate. Due to the complexities involved, the valuation is highly sensitive to the changes in assumptions. All assumptions are reviewed at each reporting date. The present value of the defined benefit obligation and the related current service cost and planned service cost were measured using the projected unit cost method.

The Company has established an income tax approved irrevocable trust fund to which it regularly contributes to finance the liabilities of the gratuity plan. The fund's investments are managed by certain insurance companies as per the mandate provided to them by the trustees and the asset allocation is within the permissible limits prescribed in the insurance regulations.

vii) Sensitivity analysis

The significant actuarial assumptions for the determination of defined benefit obligations are discount rate and expected salary increase.

In case of change in significant assumptions, sensitivity of gross benefit obligation would be as under:

Particulars	**For the year ended March 31, 2024 Rs. Lakhs**		For the year ended March 31, 2023 Rs. Lakhs	
	Increase	**Decrease**	Increase	Decrease
Discount rate variation of 0.50%	**(158.22)**	**169.62**	(141.56)	151.47
Future salary growth variation of 0.50%	**171.45**	**(161.90)**	153.40	(144.57)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

Sensitivities due to mortality and withdrawals are insignificant, hence not considered in sensitivity analysis disclosed.

viii) Maturity profile

The table below shows the expected cash flow profile of the benefits to be paid to the current members of the plan, based on past service as at the valuation date:

Particulars	**As at March 31, 2024 Rs. Lakhs**	As at March 31, 2023 Rs. Lakhs
Within 1 year	**1,039.97**	916.51
1 year to 5 years	**1,655.19**	1,466.82
More than 5 years	**2,216.35**	2,077.15

C. Compensated absences:

The obligation of compensated absence in respect of the employees of the Company as at March 31, 2024 works out to Rs. 1,447.55 lakhs (March 31, 2023: Rs. 1,269.86 lakhs)

D. Provident fund:

All employees are entitled to Provident Fund benefits as per the law. For certain category of employees the Company administers the benefits through a recognised Provident Fund Trust. The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. For other employees contributions are made to the Regional Provident Fund Commissioners. The Government mandates the annual yield to be provided to the employees on their corpus. This plan is considered as a Defined Benefit Plan. For the first category of employees (covered by the Trust), the Company has an obligation to make good the shortfall, if any, between the yield on the investments of the trust and the yield mandated by the Government and these are considered as Defined Benefit Plans and are accounted for on the basis of an actuarial valuation.

The following table sets out the status of Provident Fund obligation (Rs. Lakhs)

Particulars	**As at March 31, 2024 Rs. Lakhs**	As at March 31, 2023 Rs. Lakhs
Net Provident Fund liability	**2.00**	89.04

(i) Reconciliation of the provident fund liability

The following table shows a reconciliation between the opening and closing balances of provident fund liability and its components:

Particulars	**For the year ended March 31, 2024 Rs. Lakhs**	For the year ended March 31, 2023 Rs. Lakhs
Balance at the beginning of the year	**15,839.86**	14,263.70
Current service cost	**602.59**	506.76
Contribution by plan participants / employees	**1,258.51**	1,119.47
Interest cost	**1,181.38**	1,154.85
Actuarial loss / (gain) arising from changes in financials assumptions	**2.06**	(0.99)
Actuarial loss / (gain) arising from changes in experience adjustments	**96.88**	(7.97)
Benefits paid	**(1,798.17)**	(1,195.96)
Balance at the end of the year	**17,183.11**	15,839.86

(ii) Reconciliation of the plan assets

The following table shows a reconciliation between the opening and closing balances of the plan assets and its components:

Particulars	**For the year ended March 31, 2024 Rs. Lakhs**	For the year ended March 31, 2023 Rs. Lakhs
Balance at the beginning of the year	**15,750.81**	14,178.20
Expected return on plan assets	**1,181.38**	1,154.85
Contribution by the Company	**602.59**	506.76
Contribution by plan participants / employees	**1,258.51**	1,119.47
Benefits paid	**(1,798.17)**	(1,195.96)
Actuarial gain/(loss) recognised in other comprehensive income	**102.29**	(52.07)
Shortfall funded by the Company	**83.70**	39.57
Balance at the end of the year	**17,181.11**	15,750.81

The plan assets consitute investments in Central / State Government Securities, Corporate / PSU / Bank Bonds, Mutual Funds and Special Deposit Schemes.

iii) Expense recognized in profit or loss

Particulars	**For the year ended March 31, 2024 Rs. Lakhs**	For the year ended March 31, 2023 Rs. Lakhs
Current service cost	**602.59**	506.76
Net cost	**602.59**	506.76

iv) Remeasurements recognized in other comprehensive income

Particulars	**For the year ended March 31, 2024 Rs. Lakhs**	For the year ended March 31, 2023 Rs. Lakhs
Gain / (loss) recognised in other comprehensive income	**3.34**	(43.11)

v) Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	**As at March 31, 2024 Rs. Lakhs**	As at March 31, 2023 Rs. Lakhs
Financial assumptions		
Discount rate	**7.23%**	7.38%
Expected statutory interest rate	**8.25%**	8.15%
Demographic assumptions		
Mortality rate	**IALM (2012-14)**	IALM (2012-14)
Withdrawal rate	**Up to 30 years- 3%**	Up to 30 years- 3%
	31 to 44 years- 2%	31 to 44 years- 2%
	Above 44 years- 1%	Above 44 years- 1%
Retirement age	**58 years and 60 years**	58 years and 60 years

The weighted average duration of the defined benefit obligation as on March 31, 2024 is 14.65 years

Expected contribution to provident fund benefit plans for the financial year 2024-25 are Rs.669.14 lakhs

The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. Actuarial valuations involve making various assumptions that may differ from actual developments in the future. These includes the determination of the discount rate, future salary increases and mortality rate. Due to the complexities involved, the valuation is highly sensitive to the changes in assumptions. All assumptions are reviewed at each reporting date. The present value of the defined benefit obligation and the related current service cost and planned service cost were measured using the projected unit cost method.

vi) Sensitivity analysis

The significant actuarial assumption for the determination of defined benefit obligations is the discount rate.

Sensitivity of gross benefit obligation as mentioned above, in case of change in significant assumptions would be as under:

Particulars	**For the year ended March 31, 2024 Rs. Lakhs**		For the year ended March 31, 2023 Rs. Lakhs	
	Increase	**Decrease**	Increase	Decrease
Discount rate variation of 0.50%	**(4.05)**	**4.25**	(3.64)	3.81

The sensitivity analysis above has been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

Sensitivities due to mortality and withdrawals are insignificant and hence not considered in sensitivity analysis disclosed.

E. Risk exposure

These defined benefit plans typically expose the Company to actuarial risks as under:

a) Investment Risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

b) Interest rate risk

A decrease in bond interest rate will increase the plan liability. However, this shall be partially off-set by increase in return as per debt investments.

c) Longevity risk

The present value of the defined plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy will increase the plan's liability.

d) Salary risk

Higher than expected increase in salary will increase the defined benefit obligation.

45. Related party disclosures:

In accordance with the requirements of Ind AS 24 on Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are:

A. Names of related parties and nature of related party relationships:

Subsidiaries

Daurala Foods and Beverages Private Limited
DCM Shriram Fine Chemicals Limited
DCM Shriram International Limited (w.e.f. September 07, 2022)

Associate

DCM Hyundai Limited

Key management personnel

Mr. S. B. Mathur, Chairman
Mr. Alok B. Shriram, Senior Managing Director
Mr. Madhav B. Shriram, Managing Director
Ms. Urvashi Tilakdhar, Director
Mr. Vineet Manaktala, Director & CFO
Mr. P. R. Khanna, Independent Director (upto March 31, 2024)
Mr. Ravinder Narain, Independent Director (upto March 31, 2024)
Mr. S. C. Kumar, Independent Director (upto March 31, 2024)
Smt. V. Kavitha Dutt, Independent Director
Mr. Sanjay C. Kirloskar, Independent Director
Mr. Y. D. Gupta, Vice President & Company Secretary
Ms. Mini Ipe , LIC Nominee Director (upto January 03, 2024)
Mr. Manoj Kumar, Non-executive Director
Mr. Kamal Kumar, LIC Nominee Director (w.e.f March 15, 2024)

Relatives/HUF of key management personnel

Mr. Akshay Dhar
Ms. Kanika Shriram
Mr. Rudra Shriram
Mr. Rohan Shriram
Mr. Uday Shriram
Ms. Umika Shriram
Ms. Kislaya Rakesh
Ms. Anita Gupta
Ms. Kiran Khanna

M/s. P. R. Khanna (HUF)
M/s. Lala Bansi Dhar & Sons (HUF)
Ms. Suman Bansi Dhar
Ms. Divya Shriram
Ms. Karuna Shriram
Ms. Aditi Dhar
Ms. Amita Manaktala
Ms. Astha Manaktala
Mr. Mohit Manaktala
Ms. Ruby Arora

Trusts

Employees' Provident Fund Trust, DCM Shriram Industries Limited
Daurala Organics Limited Employees' Provident Fund Trust
DCM Shriram Industries Limited Superannuation Trust
DCM Shriram Industries Limited Employees' Gratuity Fund Trust

Others (Enterprises over which key management personnel or their relatives are able to exercise significant influence)

Bantam Enterprises Private Limited (upto March 07, 2024)
H.R. Travels Private Limited (upto March 07, 2024)
DCM Containers & Engineering Private Limited (Formerly Hindustan Vaccum Glass Private Limited)
Kirloskar Corrocoat Private Limited
Lily Commercial Private Limited
Hi-Vac Wares Private Limited (upto March 07, 2024)
Fives Cail – KCP Limited
Versa Trading Limited (upto March 07, 2024)
Absolut Info Systems Private Limited
Brienworks Services Private Limited

B. Transactions with related parties:

Particulars	**For the year ended March 31, 2024 Rs. Lakhs**	For the year ended March 31, 2023 Rs. Lakhs
Rent expenses		
Relatives/HUF of key management personnel	**240.00**	195.97
Bantam Enterprises Private Limited	**-**	22.94
H.R. Travels Private Limited	**-**	6.89
DCM Containers & Engineering Private Limited	**-**	0.90
Brienworks Services Private Limited	**16.37**	-
Total	**256.37**	226.70
Interest expense		
Key management personnel	**12.17**	13.59
Relatives of Key management personnel	**33.20**	32.16
Independent Directors and their relatives/HUF	**3.75**	3.67
Total	**49.12**	49.42
Other expenses		
DCM Containers & Engineering Private Limited	**141.00**	5.46
Kirloskar Corrocoat Private Limited	**-**	8.68
Fives Cail – KCP Limited	**-**	0.30
Total	**141.00**	14.44

Particulars	For the year ended March 31, 2024 Rs. Lakhs	For the year ended March 31, 2023 Rs. Lakhs
Purchase of property, plant and equipment		
Fives Cail – KCP Limited	**-**	0.25
DCM Shriram Fine Chemicals Limited	**-**	2.41
Absolut Info Systems Pvt Ltd	**-**	0.25
Total	**-**	2.91
Purchase of stores		
Fives Cail – KCP Limited	**0.19**	0.77
Kirloskar Corrocoat Private Limited	**-**	4.53
Total	**0.19**	5.30
Advance for Share Capital		
DCM Shriram Fine Chemicals Limited	**411.28**	659.63
DCM Shriram International Limited	**-**	0.34
Total	**411.28**	659.97
Capital Advances		
DCM Containers & Engineering Private Limited	**-**	24.00
Investment in equity shares of subsidiary		
DCM Shriram International Limited	**-**	1.00
Equity dividend paid		
Associate	**-**	0.10
Key management personnel	**-**	4.96
Relatives/HUF of key management personnel	**0.03**	9.53
Bantam Enterprises Private Limited	**-**	101.77
Lily Commercial Private Limited	**871.77**	236.28
H.R. Travels Private Limited	**-**	48.20
Hi-Vac Wares Private Limited	**-**	59.49
Versa Trading Limited	**-**	193.53
	871.80	653.86
Security deposits paid		
Relatives/HUF of key management personnel	**-**	5.31
Security deposits received back		
Bantam Enterprises Private Limited	**-**	5.31
Total	**-**	5.31
Salaries and bonus including contributions made to provident fund		
Key management personnel		
Mr. Alok B.Shriram	**577.30**	289.86
Mr. Madhav B.Shriram	**577.30**	289.86
Ms. Urvashi Tilak Dhar	**577.30**	289.86
Mr. Vineet Manaktala	**86.02**	73.14
Mr. Y. D. Gupta	**56.34**	48.96
Relatives of key management personnel	**201.56**	197.48
Total **A**	**2,075.82**	1,189.16
Post-employment defined benefit plan		
Gratuity		
Key management personnel		
Mr. Alok B.Shriram	**2.98**	3.86
Mr. Madhav B.Shriram	**0.88**	1.74
Ms. Urvashi Tilakdhar	**3.54**	3.20
Mr. Vineet Manaktala	**5.64**	7.37

Particulars		For the year ended March 31, 2024 Rs. Lakhs	For the year ended March 31, 2023 Rs. Lakhs
Mr. Y.D. Gupta		**7.14**	6.34
Relatives of key management personnel		**4.96**	5.57
Total	**B**	**25.14**	28.08
Other long term defined benefit plan			
Compensated absences			
Key management personnel			
Mr. Alok B.Shriram		**4.63**	5.66
Mr. Madhav B.Shriram		**3.32**	6.02
Ms. Urvashi Tilakdhar		**7.18**	6.05
Mr. Vineet Manaktala		**2.24**	2.62
Mr. Y.D. Gupta		**1.41**	1.67
Relatives of key management personnel		**3.82**	0.05
Total	**C**	**22.60**	22.07
Commission to Independent Directors			
Mr. P. R. Khanna		**26.71**	13.41
Mr. S. B. Mathur		**28.34**	14.24
Mr. Ravinder Narain		**23.44**	11.77
Mr. S. C. Kumar		**26.71**	13.41
Ms. Kavitha Dutt Chitturi		**25.07**	12.59
Mr. Sanjay C. Kirloskar		**21.81**	10.95
Ms. Mini Ipe		**18.55**	9.30
Mr. Manoj Kumar		**21.81**	10.95
Total	**D**	**192.44**	96.62
Total compensation paid to key management personnel	**E=A+B+C+D**	**2,316.00**	1,335.93
Post-employment defined benefit plan contribution paid to provident fund trusts		**1,861.10**	1,626.23
Gratuity			
DCM Shriram Industries Limited Employees' Gratuity Fund Trust		**16.50**	15.34
Other long term defined contribution plan superannuation			
DCM Shriram Industries Limited Superannuation Trust		**175.24**	173.93

Balances with related parties (Rs. Lakhs)

Particulars	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Security deposit receivable		
Relatives/HUF of key management personnel	**35.14**	30.98
Advance for share capital		
DCM Shriram Fine Chemicals Limited	**742.55**	331.27
DCM Shriram International Limited	**0.34**	0.34
Capital advances		
DCM Containers & Engineering Private Limited	**-**	24.00

Balances with related parties (Contd.) (Rs. Lakhs)

Particulars	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Trade payables		
DCM Containers & Engineering Private Limited	**16.08**	-
Dividend payable		
Relatives/HUF of key management personnel	**0.03**	-
Lily Commercial Private Limited	**871.77**	-
Payables		
Public deposits including interest accrued		
Key management personnel	**129.06**	118.70
Relatives/HUF of key management personnel	**327.06**	341.89
Independent Directors & their relatives	**37.50**	37.50
Total	**493.62**	498.09
Provisions		
Daurala Organics Limited Employees' Provident Fund Trust	**2.00**	89.04
Remuneration / Commission payable		
Remuneration to key management personnel	**-**	9.72
Commission to Independent Directors	**192.44**	96.62
Commission to key management personnel	**1,340.24**	481.67
Sitting fees to Indepdendent Directors	**-**	7.02

Note:

Transactions with the related parties are made on normal commercial terms and conditions and at market rates, to be settled in cash except advance for share capital (refer note 55)

46. Financial instruments – Fair values and risk management

a. Financial instruments – by category and fair values hierarchy

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

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 following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

i. **As on March 31, 2023** (Rs. Lakhs)

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
(i) Investments	-	-	3,260.51	**3,260.51**	-	-	3,260.51
(ii) Loans*	-	-	62.82	**62.82**	-	-	-
(iii) Other financial assets*	-	-	539.64	**539.64**	-	-	-
Current							
(i) Investments*							
Debt instruments (Mutual funds)	2,835.35	-	-	**2,835.35**	2,835.35	-	-
(ii) Trade receivables*	-	-	24,224.22	**24,224.22**	-	-	-
(iii) Cash and cash equivalents*	-	-	474.45	**474.45**	-	-	-
(iv) Other bank balances*	-	-	749.01	**749.01**	-	-	-
(v) Loans*	-	-	19.18	**19.18**	-	-	-
(vi) Other financial assets*	16.84	-	26,778.84	**26,795.68**	16.84	-	-
Total	**2,852.19**	**-**	**56,108.67**	**58,960.85**			
Financial liabilities							
Non-current							
(i) Borrowings (including current maturities)#	-	-	14,495.84	**14,495.84**	-	-	14,495.84
(ii) Lease liabilities*	-	-	1,096.68	**1,096.68**	-	-	-
(iii) Other financial liabilities*	-	-	5,415.70	**5,415.70**	-	-	-
Current				**-**			
(i) Borrowings#	-	-	34,699.08	**34,699.08**	-	-	-
(ii) Lease liabilities*	-	-	436.22	**436.22**	-	-	-
(iii) Trade payables*	-	-	27,474.57	**27,474.57**	-	-	-
(iv) Other financial liabilities*	-	-	4,243.27	**4,243.27**	-	-	-
Total	**-**	**-**	**87,861.37**	**87,861.37**			

ii. **As on March 31, 2024** (Rs. Lakhs)

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
(i) Investments	-	-	3,671.79	**3,671.79**	-	-	3,671.79
(ii) Loans*	-	-	35.82	**35.82**	-	-	-
(iii) Other financial assets*	-	-	588.27	**588.27**	-	-	-
Current							
(i) Investments*							
Debt instruments (Mutual funds)	3,358.92	-	-	**3,358.92**	3,358.92	-	-
(ii) Trade receivables*	-	-	27,587.24	**27,587.24**	-	-	-
(iii) Cash and cash equivalents*	-	-	1,876.40	**1,876.40**	-	-	-
(iv) Other bank balances*	-	-	1,186.26	**1,186.26**	-	-	-
(v) Loans*	-	-	19.73	**19.73**	-	-	-
(vi) Other financial assets*	-	-	33,484.77	**33,484.77**	-	-	-
Total	**3,358.92**	**-**	**64,778.48**	**68,137.41**			
Financial liabilities							
Non-current							
(i) Borrowings (including current maturities)#	-	-	8,482.43	**8,482.43**	-	-	8,482.43
(ii) Lease liabilities*	-	-	1,136.19	**1,136.19**	-	-	-
(iii) Other financial liabilities*	-	-	5,771.27	**5,771.27**	-	-	-
Current							
(i) Borrowings#	-	-	42,753.38	**42,753.38**	-	-	-
(ii) Lease liabilities*	-	-	531.21	**531.21**	-	-	-
(iii) Trade payables*	-	-	31,680.46	**31,680.46**	-	-	-
(iv) Other financial liabilities*	0.67	-	5,556.88	**5,557.55**	0.67	-	-
Total	**0.67**	**-**	**95,911.82**	**95,912.49**			

The Company's borrowings have been contracted at both floating and fixed rates of interests. The borrowings at floating rates reset at short intervals. Accordingly, the carrying values of such borrowings (including interest accrued but not due) approximate fair values. The fair values of long-term borrowings with fixed rates of interest is estimated by discounting future cash flows using current rates (applicable to instuments with similar terms, currency, credit risk and remaining maturities to discount the future payout).

* The carrying amounts of trade receivables, trade payables, lease liabilites, cash and cash equivalents, investments, bank balances other than cash and cash equivalents, and other financial assets and liabilities, approximate the fair values, due to their short-term nature. The other non-current financial assets represents security deposits given to various parties, loans and advances to employees and bank deposits (due for maturity after twelve months from the reporting date), lease liabilities and other non-current financial liabilities, the carrying values of which approximate the fair values as on the reporting date.

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2024 and March 31, 2023.

Valuation

Following financial instruments are remeasured at fair value as under :

(a) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund, and the price at which issuers will redeem such units.

(b) The fair value of all derivative contracts is determined using forward exchange rate at the balance sheet date.

b. Risk Management

The Company manages risks arising from financial instruments as under :

(i) Credit risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Balance Sheet:

Particulars	**As at March 31, 2024 Rs. Lakhs**	As at March 31, 2023 Rs. Lakhs
Investments	**7,030.71**	6,095.86
Trade receivables	**27,587.24**	24,224.22
Cash and cash equivalents	**1,876.40**	474.45
Other bank balances	**1,186.26**	749.01
Loans	**55.55**	82.00
Other financial assets	**34,073.04**	27,335.32

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due, causing financial loss to the Company. It arises from cash and cash equivalents, financial instruments and principally from credit exposure to customers relating to receivables. The Company continuously reviews the credit to be given and the recoverability of amounts due. Majority of the trade receivables are from parties with whom the Company has long standing satisfactory dealings.

The Company's exposure to credit risk for trade receivables is as follows:

Particulars	**Gross carrying amount**	
	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
1-90 days past due *	**3,190.90**	932.73
91 to 180 days past due	**28.68**	61.53
More than 180 days past due #	**109.56**	125.85
Not due	**24,268.20**	23,139.08
	27,597.34	24,259.19

* The Company believes that the unimpaired amounts are collectible in full, based on historical payment behaviour.

The Company continuously reviews the credit to be given and the recoverability of amounts due. Majority of the trade receivables, both domestic and overseas, are from parties with whom the Company has long standing satisfactory dealings. The Company also makes provision for lifetime expected credit loss, based on its previous experience of provisions/write offs in previous years.

Movement in the allowance for impairment in respect of trade receivables is given below: (Rs. Lakhs)

Particulars	**For the year ended March 31, 2024 Rs. Lakhs**	For the year ended March 31, 2023 Rs. Lakhs
Balance at the beginning of the year	**34.97**	24.87
Impairment loss (reversal) / recognised	**(24.87)**	10.10
Balance at the end of the year	**10.10**	34.97

Note

Cash and cash equivalents

Credit risk on cash and cash equivalents is limited as the Company generally transacts with the banks with high credit ratings assigned by domestic and international credit rating agencies.

Other financial assets

Other financial assets do not have any significant credit risk (also refer note 52).

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that its liquidity position, including total cash and cash equivalent and bank balances other than cash and cash equivalent of Rs. 3,062.66 as at March 31, 2024 (March 31, 2023 Rs. 1,223.46 lakhs), anticipated future considering internally generated funds from operations fully available and revolving undrawn credit facility will enable it to meet its future known obligations in the ordinary course of business. However, if liquidity needs were to arise, the Company believes it has access to financing arrangements, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Company will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements, as necessary.

The Company's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.
- Maintaining diversified credit lines.

I. Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	**As at March 31, 2024 Rs. Lakhs**	As at March 31, 2023 Rs. Lakhs
From banks	7,283.17	12,096.29

II. Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted:

(Rs. Lakhs)

As at March 31, 2023	Carrying amount	Contractual cash flows			
		0-1 year	More than 1 but upto 5 years	More than 5 years	Total
Non-current liabilities					
Borrowings*	7,331.01	-	7,354.88	-	7,354.88
Lease liabilities	1,096.68	-	1,009.29	228.35	1,237.64
Other financial liabilities	5415.70	-	5415.70	-	5,415.70
Current liabilities					
Borrowings	41,863.91	41,863.91	-	-	41,863.91
Lease liabilities	436.22	555.09	-	-	555.09
Trade payables	27,474.57	27,474.57	-	-	27,474.57
Other financial liabilities	4,243.27	4,243.27	-	-	4,243.27
Total	**87,861.37**	**74,136.85**	**13,779.87**	**228.35**	**88,145.08**

(Rs. Lakhs)

As at March 31, 2024	Carrying amount	Contractual cash flows			
		0-1 year	More than 1 but upto 5 years	More than 5 years	Total
Non-current liabilities					
Borrowings*	**3,553.44**	**-**	**3,565.64**	**-**	**3,565.64**
Lease liabilities	**1,136.19**	**-**	**1,193.10**	**149.65**	**1,342.75**
Other financial liabilities	**5,771.27**	**-**	**5,771.27**	**-**	**5,771.27**
Current liabilities					
Borrowings	**47,682.37**	**47,682.37**	**-**	**-**	**47,682.37**
Lease liabilities	**531.21**	**660.96**	**-**	**-**	**660.96**
Trade payables	**31,680.46**	**31,680.46**	**-**	**-**	**31,680.46**
Other financial liabilities	**5,557.55**	**5,557.55**	**-**	**-**	**5,557.55**
Total	**95,912.49**	**85,581.34**	**10,530.01**	**149.65**	**96,261.01**

* Contractual cash flows do not include interest expense

(iii) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risks: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return. The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Company.

Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies, from the Company's operating, investing and financing activities.

Exposure to currency risk

The summary of quantitative data about the Company's exposure to currency risk, as expressed in Indian Rupees (Lakhs) as at March 31, 2024 and March 31, 2023.

(Rs. Lakhs)

Particulars	As at March 31, 2024			
	USD	EURO	AUD	GBP
Financial assets				
Trade receivables*	8,543.16	5,792.26	-	-
Advance to contractors	23.89	20.93	-	-
	8,567.05	**5,813.19**	**-**	**-**
Financial liabilities				
Trade payables	8,472.36	718.74	-	0.67
	8,472.36	**718.74**	**-**	**0.67**

(Rs. Lakhs)

Particulars	As at March 31, 2023			
	USD	EURO	AUD	GBP
Financial assets				
Trade receivables*	7,935.07	1,991.11	-	-
Advance to contractors	8.58	2.92	1.75	-
	7,943.65	**1,994.03**	**1.75**	**-**
Financial liabilities				
Borrowings	1,347.38	68.08	-	0.62
Trade payables	7,358.08	840.01	-	
	8,705.46	**908.09**	**-**	**0.62**

* Trade receivables are net of corresponding foreign exchange contracts

Sensitivity analysis

A reasonably possible strengthening / weakening of the Indian Rupee against below currencies at March 31, 2024 (previous year ended as on March 31, 2023) would have affected the measurement of financial instruments denominated in functional currency and affected equity and profit or loss by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(Rs. Lakhs)

Particulars	Profit or (loss)		Equity, net of tax	
	Weakening	Strengthening	Strengthening	Weakening
1% depreciation / appreciation in Indian Rupees against following foreign currencies:				
For the year ended March 31, 2024				
USD	**0.95**	**(0.95)**	**0.62**	**(0.62)**
EUR	**50.94**	**(50.94)**	**33.14**	**(33.14)**
AUD	**-**	**-**	**-**	**-**
GBP	**(0.01)**	**0.01**	**(0.00)**	**0.00**
	51.87	**(51.87)**	**33.74**	**(33.74)**
For the year ended March 31, 2023				
USD	(7.62)	7.62	(4.96)	4.96
EUR	10.86	(10.86)	7.06	(7.06)
AUD	0.02	(0.02)	0.01	(0.01)
GBP	(0.01)	0.01	(0.00)	0.00
	3.25	**(3.25)**	**2.11**	**(2.11)**

USD: United States Dollar, EUR: Euro, AUD: Australian Dollar, GBP: Great British Pound

Foreign exchange derivative contracts

The Company uses derivative financial instruments exclusively for hedging financial risks that arise from its commercial business or financing activities. The Company's Corporate Treasury team manages its foreign currency risk by hedging transactions that are expected to occur within a period of 1 to 24 months for hedges of forecasted sales, purchases and capital expenditures. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency. All identified exposures are managed as per the policy duly, approved by the Board of Directors. The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit risk quality yield curves in the respective currency.

The following table details the foreign currency derivative contracts outstanding at the end of the reporting period:

Outstanding contracts	No of deals		Contract value of foreign currency (in lakhs)		Maturity: Upto 12 months Nominal amount (in lakhs)		Maturity: More than 12 months Nominal amount (in lakhs)	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
USD/INR Sell Forward	21	68	56.50	75.70	4,728.76	6,261.90	-	-
EUR/INR Sell Forward	15	9	42.98	10.00	3,919.32	893.46	-	-
EUR/USD Sell Forward	-	8	-	10.18	-	880.11	-	-
USD/INR Buy Forward	-	1	-	1.00	-	82.40	-	-

Impact of depreciation / appreciation in INR against USD/EUR in respect of forward contracts is not material.

(iii) Market risk

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in interest rates. The Company's main interest rate risk arises from long-term borrowings with variable rates, which expose the Company to cash flow interest rate risk.

Exposure to interest rate risk

The Company's interest rate risk arises mainly from the borrowings (including Cash Credit) from banks carrying floating rate of interest. These obligations expose the Company to cash flow interest rate risk. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period along with the interest rate profile are as follows:

(Rs. Lakhs)

Particulars	**As at March 31, 2024**	As at March 31, 2023
Financial Assets		
Fixed Rate Instruments		
Bank Balances other than cash and cash equivalents	1,186.26	749.01
Other Financial assets	2,516.72	73.58
Total	**3,702.98**	822.59
Financial Liabilities		
Fixed Rate Instruments		
Term loans	2,510.08	5,953.64
Public Deposits	902.86	916.56
Variable-rate instruments		
Term loans	5,069.49	7,625.63
Cash Credit	42,753.38	34,699.08
Total	**51,235.81**	**49,194.91**

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points (bps) in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant. (Rs.Lakhs)

Particulars	**Profit or loss**		**Equity, net of tax**	
	100 bps increase	**100 bps decrease**	**100 bps increase**	**100 bps decrease**
For the year ended March 31, 2024				
Interest on term loans	(50.69)	50.69	(32.98)	32.98
Interest on cash credits	(427.53)	427.53	(278.14)	278.14
For the year ended March 31, 2023				
Interest on term loans	(76.26)	76.26	(49.61)	49.61
Interest on cash credits	(346.99)	346.99	(225.74)	225.74

47. Capital management

For the purposes of the Company's capital management, capital includes issued equity share capital, securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the management of the Company's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital. This also considers the desirable financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows.

The Company manages its capital structure and makes adjustments to it in light of changes in the economic/ business conditions and requirements.

The Company also monitors its capital structure through gearing ratio, represented by debt-equity ratio (Net debt/ Total equity). The gearing ratio for the Company as at the end of reporting period is as follows:

(Rs.Lakhs)

Particulars	**As at March 31, 2024**	As at March 31, 2023
Borrowings	51,235.81	49,194.91
Less : Cash and cash equivalents	(1,876.40)	(474.45)
Adjusted net debt (A)	49,359.41	48,720.46
Total equity (B)	79,746.02	69,920.88
Adjusted net debt to total equity ratio (A/B)	**61.90%**	**69.68%**

48. Research and development expenses amounting to Rs. 617.10 lakhs (March 31, 2023: Rs. 491.48 lakhs) have been charged to the respective revenue accounts. Capital expenditure relating to research and development amounting to Rs. Nil (March 31, 2023: Rs. 8.25 lakhs) has been included in property, plant and equipment.

49. Parties covered under "The Micro, Small and Medium Enterprise Development Act, 2006" (MSMED Act, 2006) have been identified on the basis of confirmations received. The disclosures pursuant to the said MSME Act are as follows:

Particulars	**For the year ended March 31, 2024 Rs. Lakhs**	For the year ended March 31, 2023 Rs. Lakhs
(a) Amounts remaining unpaid to suppliers under MSMED (suppliers) as at the end of year.		
- Principal amount	**1,309.68**	1,215.71
-Interest due thereon	**-**	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each.	**-**	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	**-**	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year.	**-**	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	**-**	-

50. Disclosures related to government grants

The government grants/assistance recognised are as under:

Nature of grant/assistance	Income/ expense head	For the year ended March 31, 2024 Rs. Lakhs	For the year ended March 31, 2023 Rs. Lakhs
Subvention on loan interest	Other income	**72.69**	108.26
Interest subsidy in respect of Loans at concessional rate	Other income	**138.25**	182.55
Duty drawback and other incentives (net of provision)	Other operating revenue	**1,548.70**	1,057.57

51. Immovable properties yet to be endorsed in the name of the Company are as under : (Rs. Lakhs)

Particulars	Amount as on March 31, 2024	Amount as on March 31, 2023	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/director	Property held since	Reason for not being held in the name of the company
Property, Plant and Equipment					
Land situated at Daurala, Uttar Pradesh (UP)	**379.04**	379.04	No	1991	Vested in the Company pursuant to a Scheme of Arrangement of erstwhile DCM Limited. (Undisputed)
Land situated at Kota, Rajasthan	**465.00**	465.00	No	1991	Vested in the Company pursuant to a Scheme of Arrangement of erstwhile DCM Limited. (Undisputed)
Land situated at Daurala, UP	**44.95**	44.95	No	2005	Vested in the Company pursuant to merger of Daurala Organics Limited under sections 391 to 394 of the Companies Act, 1956 in terms of approval of Honorable High Court. (Undisputed)
Total	**888.99**	888.99			

52. Consequent to introduction of Goods and Services Tax (GST) with effect from July 1, 2017, there has been ambiguity with regard to chargeability of indirect tax, i.e., UP VAT or GST or any other tax, on certain supplies made to a party and, therefore, no tax has been charged on invoices raised for such supplies. The Hon'ble Allahabad High Court in the year 2021-22 has held that no VAT is chargeable on such transactions. However, this issue is sub-judice before the Hon'ble Supreme Court in a similar matter. The buyer has provided an undertaking to indemnify the Company for any tax, along with interest, penalty (if levied) and any other related expenses, as may be finally determined in this regard.

The State VAT Authorities had completed assessments for the periods July 1, 2017 to October 31, 2020 and raised demands on the Company. These assessments have been cancelled after the Hon'ble Allahabad High Court order, except for the year ended March 31, 2020, which is pending disposal before the VAT Tribunal, and the VAT demand raised amounting to Rs. 6,528.32 lakhs in respect of that year has been stayed by the Tribunal. The Company has deposited amounts aggregating Rs.3,417.52 lakhs under protest in respect of the aforesaid VAT matters for the periods July 1, 2017 to October 31, 2020.

During the previous year, GST demands aggregating Rs. 29,617.47 lakhs were raised in relation to these transactions from July 1, 2017 to September 30, 2022 (except for the financial year 2019-20) which have been stayed and are being contested. The Company has deposited amounts aggregating Rs.2,249.50 lakhs as of March 31, 2024 (Rs. 1,891.66 lakhs as at March 31, 2023) as duty under protest in respect of GST, shown as 'Government dues paid and recoverble' under 'Other non-current assets'.

Further, GST Council in its meeting dated October 7, 2023 has ceded the right to tax such supplies to State Governments. However, State Government has not notified any rules in this regard as yet.

Pending necessary amendments / notifications in this regard, the Company has continued the same accounting treatment in respect of the transactions as in previous year(s) and the Company has recognized a provision for contingencies of Rs. 30,580.42 lakhs as at March 31, 2024 (Rs. 26,312.70 lakhs as at March 31, 2023) under Provisions (current). Basis the undertaking from the buyer, the Company has recognized corresponding reimbursement assets amounting to Rs. 30,580.42 lakhs as at March 31, 2024 (Rs. 26,312.70 lakhs as at March 31, 2023) under "Other financial assets (current)".

The amounts aggregating Rs. 5,667.02 lakhs as at March 31, 2024 (Rs.5,309.18 lakhs as at March 31, 2023) paid under protest have been shown as recoverable under "Other non-current assets" with corresponding amount shown as payable to the buyer under "Other non-current financial liabilities".

The above does not have any impact on the profits of the Company.

53. Assets charged as security

The carrying amount of assets charged as security for current and non-current borrowings are as under:

	Note	**As at March 31, 2024 Rs. Lakhs**	As at March 31, 2023 Rs. Lakhs
Current assets			
Inventories	10	**73,954.47**	63,482.91
Trade receivables	12	**27,587.24**	24,224.22
Cash and cash equivalents	13	**125.13**	297.39
Other bank balances	14	**1,027.87**	480.23
Loans	15	**9.54**	8.99
Other financial assets	16	**2,828.10**	479.41
Other current assets	17	**2,145.16**	1,655.73
Total (I)		**1,07,677.51**	90,628.88
Non-current asset			
Property, plant and equipment	3	**58,667.52**	59,250.32
Capital work-in progress	3	**684.18**	220.61
Intangible assets	4	**155.89**	238.16
Loans	6	**13.60**	32.68
Other financial assets	7	**509.02**	462.57
Income-tax assets (net)	8	**129.98**	78.77
Other non-current assets	9	**183.86**	96.57
Total (II)		**60,344.06**	60,379.68
Grand Total (I&II)		**1,68,021.57**	1,51,008.56

54. The Board of Directors in the meeting held on 14 November, 2023 approved a Composite Scheme of Arrangement (the Scheme) between DCM Shriram Industries Limited and DCM Shriram Fine Chemicals Limited and DCM Shriram International Limited (wholly owned subsidiaries of DCM Shriram Industries Limited) and Lily Commercial Private Limited, for amalgamation of Lily Commercial Private Limited with DCM Shriram Industries Limited, and subsequent demerger of Chemical and Rayon businesses of DCM Shriram Industries Limited into DCM Shriram Fine Chemicals Limited and DCM Shriram International Limited, respectively, with effect from the appointed date of 1 April 2023, subject to regulatory and statutory approvals, as applicable. The Scheme is presently under consideration of Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). Pending the necessary approvals, which are substantive in nature, the effect of the Scheme has not been given in the financial statements.

55. a) During the previous year, the Company subscribed to 10,00,00,000 equity shares of Rs. 2 each in DCM Shriram Fine Chemcials Limited, a wholly owned subsidiary of the Company, including conversion of advance against equity Rs. 1,670.64 lakhs as on March 31, 2022. Additional advance of Rs. 411.27 lakhs has been given during the year and, accordingly, an amount of Rs. 742.55 lakhs (March 31, 2023: Rs. 331.27 lakhs) has been shown as "Advance against share capital" and included in Note no. 5 "Investment-Non current".

b) During the previous year, the Company subscribed to 50,000 equity shares of Rs. 2 each in DCM Shriram International Limited, a wholly owned subsidiary of the Company. Additional advance of Rs. 0.34 lakhs had been given during the previous year and, accordingly, an amount of Rs. 0.34 lakhs (March 31, 2023: Rs. 0.34 lakhs) has been shown as "Advance against share capital" and included in Note no. 5 "Investment-Non current".

56. Assets held for sale

Management has committed to a plan to sell the following assets in near future. Assets classified as held for sale are measured at the lower of the carrying amount and fair value less costs to sell at the reporting date.

Particulars	**As at March 31, 2024 Rs. Lakhs**	As at March 31, 2023 Rs. Lakhs
Building	**33.87**	33.87

57. Financial Ratios:

Particulars	**Numerator**	**Denominator**	**31-Mar-24**	**31-Mar-23**	**Variance**
(a) Current Ratio	Current assets	Current liabilities	1.2	1.2	3.1%
(b) Debt- Equity Ratio	Total Debt	Total Equity	0.6	0.7	(8.8)%
(c) Debt Service Coverage Ratio**	Earnings available for debt service*	Scheduled Debt Service	2.4	1.4	66.7%
(d) Return on Equity Ratio**	Net Profits after taxes	Average Shareholders' Equity	15.4%	8.9%	72.5%
(e) Inventory Turnover Ratio***	Cost of goods sold	Average Inventory	1.8	2.5	(28.3)%
(f) Trade Receivable Turnover Ratio	Revenue	Average Trade Receivables	8.0	9.5	(15.0)%
(g) Trade Payable Turnover Ratio	Purchases and other expenses	Average Trade Payables	5.8	6.6	(11.8)%
(h) Net Capital Turnover Ratio^	Revenue	Working Capital	8.2	12.9	(36.6)%
(i) Net Profit Ratio**	Net Profit	Total Income	5.5%	2.5%	114.6%
(j) Return on Capital Employed**	Earning before interest and taxes	Average Capital Employed #	22.4%	13.8%	62.3%
(k) Return on Investment@	Income generated from investments	Time weighted average investments	7.3%	5.6%	30.6%

* PBT + Depreciation + Interest on Term Loan - Taxes
# Tangible net worth + Long term debt + Deferred tax liabilities
** Increase mainly on acccount of higher profitability
@ Increase on account of change in yield.
*** Decrease mainly due to higher inventory
^ Decrease mainly due to lower revenue

58. 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) Details of charges / satisfaction which are yet to be registered with Registrar of Companies (ROC).

Pending Satisfaction/ Registration	Brief description of the charges or satisfaction	Location of Registrar	Amount of Charge (Rs. Lakhs)	Reason for delay in satisfaction
Satisfaction	A charge created with serial number R36032811, charge ID 80000572 on 31st March 1978 and subsequently modified on 18th March 2020 in favour of Oriental bank of Commerce, Transport Nagar, UP-250002, India.	New Delhi	2,450.00	The loan has been repaid fully on the due date and No dues certificate has been received from the lender. Requisite papers have been filed with the ROC. The said charge was created in FY 1978 (by erstwhile DCM Ltd) and was transferred to the Company in the year 1990, pursuant to reconstruction arrangement of erstwhile DCM Ltd. There is a technical issue at ROC for online updation of satisfaction, which is under discussion with ROC.

iv) The Company has not traded or invested in crypto currency or any 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 to or on behalf of the ultimate beneficiaries.

vii) The Company does not have any 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 as a wilful defaulter by any banks or any other financial institution at any time during the financial year or after the end of the reporting period but before the date when the financial statements are approved by the Board of Directors.

ix) 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.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration no.:
101248W/W-100022

Kaushal Kishore
Partner
Membership No.: 090075

Place: New Delhi
Date: May 27, 2024

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

Vineet Manaktala
Director Finance & Chief Financial Officer
DIN: 09145644

S.B. Mathur
Chairman
DIN: 00013239

Alok B. Shriram
Sr. Managing Director
DIN: 00203808

Madhav B. Shriram
Managing Director
DIN: 00203521

Y.D. Gupta
Vice President & Company Secretary

Urvashi Tilakdhar
Wholetime Director
DIN: 00294265

Place: New Delhi
Date: May 27, 2024

TO THE MEMBERS OF DCM SHRIRAM INDUSTRIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditor(s) on separate financial statements of such subsidiaries and associate as were audited by the other auditor(s), the aforesaid consolidated 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 consolidated state of affairs of the Group and its associate as at 31 March 2024, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

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 Consolidated Financial Statements section of our report. We are independent of the Group and its associate in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements 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 obtained by us along with the consideration of reports of the other auditor(s) referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the 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.

Determination of provision for contingencies and recoverability of reimburseable asset as at 31 March 2024 [see notes 17, 29 and 55 to consolidated financial statements.

Key audit matter	How the matter was addressed in our audit
The Holding Company has Indirect tax matters which are subject to assessments/ ongoing proceedings by tax authorities and involve significant judgement by the management in evaluating the likely outcome. The Holding Company makes an assessment to determine the outcome of these tax positions and decides to make an accrual or consider it to be a possible contingent liability in accordance with the applicable Indian accounting standards.	We performed the following procedures in this regard: • Obtained an understanding of the management's process for monitoring these matters and the process followed to finalise management's judgement of the likely outcome.

Consequent to introduction of Goods and Services Tax (GST) with effect from July 1, 2017, there has been ambiguity with regard to chargeability of indirect tax, i.e. UP VAT or GST or any other tax, on certain supplies made by the Company to a customer and, therefore, no tax has been charged on such supplies. Various demands raised by the VAT/ GST authorities are being contested, and have been assessed for creating provision/ disclosures in the consolidated financial statements. The Company has recognises a reimbursement asset based on a legal undertaking by the related customer to indemnify the Holding Company for any liability that may finally arise in the matter. The above judgements may change over time based on judicial precedents or amendments to legislation, etc. A change in the management's judgements and estimates may significantly affect the recognition of assets and liabilities and disclosures thereof.	• Evaluated the design and tested the operating effectiveness of controls around the management's assessment. • Assessed the appropriateness of methods used, reliability of underlying data used for quantification of amounts. • Examined correspondence and obtained independent confirmation from the Company's external legal counsel in order to corroborate our understanding of these matters with respect to the legal determination of liability arising on such matters. • Involved our internal specialists evaluate management's assessment by reviewing the facts of the case, reasonableness of assumptions and making an assessment of the likely outcome of the matters. • Examined management's assessment including discussions with in house legal team in respect of recoverability of recognized reimbursable asset. • Examined the underlying agreement, indemnity arragement and the independent confirmation received from the customer as regards the recognition of reimburseable asset. • Evaluated the adequacy of disclosures made with respect to requirements of Ind-AS 37 regarding the matter.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and 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 based on the work done/audit report of other auditors, 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 Consolidated Financial Statements

The Holding Company's Management and Board of Directors are 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 state of affairs, consolidated profit/loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the 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 the 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 Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of each company.

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

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 consolidated 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 appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our

conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate 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 statements of such entities or business activities within the Group and its associate to 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. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

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.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a. We did not audit the financial statements of two subsidiaries, whose financial statements reflect total assets (before consolidation adjustments) of Rs. 4,057.74 lakhs as at 31 March 2024, total revenues (before consolidation adjustments) of Rs. 93.86 lakhs and net cash outflows (before consolidation adjustments) amounting to Rs. 303.15 lakhs for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of Rs 25.36 lakhs for the year ended 31 March 2024, in respect of an associate, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate is based solely on the reports of the other auditors.

b. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of this matter with respect to our reliance on the work done and the reports of the other auditors.

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, based on our audit and on the consideration of reports of the other auditors on separate financial statements of subsidiaries and associate as were audited by other auditors, as noted in the "Other Matters" paragraph, 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 auditor(s) except for the matters stated in the paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors of the Holding Company as on 31 March 2024, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and an associate company incorporated in India, none of the directors of the Group and its associate company incorporated in India is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

   f. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2A(b) above on reporting under Section 143(3)(b) and paragraph 2B(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and associate company incorporated in India 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 and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and associate, as noted in the "Other Matters" paragraph:

   a. The consolidated financial statements disclose the impact of pending litigations as at 31 March 2024 on the consolidated financial position of the Group and its associate. Refer Notes 42 and 55 to the consolidated financial statements.

   b. The Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended 31 March 2024.

   c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and associate company incorporated in India during the year ended 31 March 2024.

   d. (i) The respective management of the Holding Company and its subsidiary companies and an associate company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies and an associate company, respectively that, to the best of their knowledge and belief, as disclosed in the Note 60 (v) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies and an associate 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 Holding Company or any of such subsidiary companies and an associate company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company and its subsidiary companies and an associate company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary companies and an associate company, respectively that, to the best of their knowledge and belief, as disclosed in the Note 60 (vi) to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies and an associate company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies and an associate company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies and associate company incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditors notice that has caused us or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The dividend declared or paid during the year by the Holding Company is in compliance with Section 123 of the Act. The subsidiary companies and an associate company incorporated in India have neither declared nor paid any dividend during the year.

f. Based on our examination, which included test checks, and that performed by the respective auditors of the subsidiaries and an associate which are companies incorporated in India, whose financial statements have been audited under the Act, except for the instances mentioned below, the Holding Company and its subsidiaries have used accounting softwares for maintaining their books of account which have features of recording audit trail (edit log) facility and the same have operated throughout the year for all relevant transactions recorded in the software:

i. In case of Holding Company, the audit trail (edit log) facility has not been enabled for the accounting software used by the Holding Company for maintaining its books of account relating to general ledger;

ii. In case of a Subsidiary Company, as communicated by the auditor of such subsidiary, the feature of recording audit trail (edit log) facility of the accounting software used for maintaining general ledger was not enabled for the period 1 April 2023 to 10 October 2023;

iii. In case of an Associate Company, accounting software used by the Associate Company does not have a feature of recording audit trail (edit log) facility.

Further, for the periods where audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.

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 and based on the reports of the statutory auditors of such subsidiary companies and associate company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, and its subsidiary companies and an associate company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, and its subsidiary companies and an associate company is not in excess of the limit laid down under Section 197 of the Act. 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 B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Kaushal Kishore
Partner
Membership No.: 090075
ICAI UDIN:24090075BKGTYT1356

Place: New Delhi
Date: 27 May 2024

Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of DCM Shriram Industries 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)

(xxi) In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

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

Kaushal Kishore
Partner
Membership No.: 090075
ICAI UDIN:24090075BKGTYT1356

Place: New Delhi
Date: 27 May 2024

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

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

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

Opinion

In conjunction with our audit of the consolidated financial statements of DCM Shriram Industries Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2024, we have audited the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies and its associate company, as of that date.

In our opinion, the Holding Company and its subsidiary companies and its associate company, have, 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 such companies considering the essential components of such internal controls 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 respective 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 respective 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 the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the 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 consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies and associate company 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 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 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.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to two subsidiary companies and one associate company, 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 B S R & Co. LLP
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Kaushal Kishore
Partner
Membership No.: 090075
ICAI UDIN:24090075BKGTYT1356

Place: New Delhi
Date: 27 May 2024

Consolidated Balance Sheet as at March 31, 2024

Particulars	Note	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	3	**61,033.76**	61,620.64
Capital work-in progress	3	**684.18**	220.61
Right-of-use assets	41	**1,485.53**	1,313.15
Intangible assets	4	**155.89**	238.16
Equity accounted investees	5	**1,422.76**	1,397.40
Financial assets			
(i) Investments	6	**314.50**	314.50
(ii) Loans	7	**35.82**	62.82
(iii) Other financial assets	8	**699.92**	540.64
Income-tax assets (net)	9	**2,348.39**	1,655.70
Other non-current assets	10	**6,084.82**	5,638.85
Total non-current assets		**74,265.57**	73,002.47
Current assets			
Inventories	11	**73,954.47**	63,482.91
Financial assets			
(i) Investments	12	**3,358.92**	2,835.35
(ii) Trade receivables	13	**27,587.24**	24,224.22
(iii) Cash and cash equivalents	14	**1,882.69**	784.24
(iv) Bank balances other than (iii) above	15	**1,186.26**	1,728.35
(v) Loans	16	**19.73**	19.18
(vi) Other financial assets	17	**34,761.47**	26,829.49
Other current assets	18	**2,844.60**	2,166.89
Asset held for sale	58	**33.87**	33.87
Total current assets		**1,45,629.25**	1,22,104.50
TOTAL ASSETS		**2,19,894.82**	1,95,106.97
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	19	**1,739.84**	1,739.84
Other equity	20	**79,798.16**	69,926.90
Total equity		**81,538.00**	71,666.74
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	21	**3,553.44**	7,331.01
(ii) Lease liabilities	41	**1,136.19**	1,096.68
(iii) Other financial liabilities	22	**5,771.27**	5,415.70
Provisions	23	**1,102.14**	1,003.95
Deferred tax liabilities (net)	39	**7,873.07**	5,578.14
Other non-current liabilities	24	**21.54**	58.85
Total non- current liabilities		**19,457.65**	20,484.33
Current liabilities			
Financial liabilities			
(i) Borrowings	25	**47,682.37**	42,168.98
(ii) Lease liabilities	41	**531.21**	436.22
(iii) Trade payables	26		
-Total outstanding dues of micro enterprises and small enterprises;		**1,309.68**	1,215.71
-Total outstanding dues of creditors other than micro enterprises and small enterprises		**30,373.44**	26,260.72
(iv) Other financial liabilities	27	**5,557.55**	4,318.60
Other current liabilities	28	**1,450.87**	1,549.57
Provisions	29	**31,288.08**	27,006.10
Current tax liabilities (net)		**705.97**	-
Total current liabilities		**1,18,899.17**	1,02,955.90
TOTAL EQUITY AND LIABILITIES		**2,19,894.82**	1,95,106.97
Material Accounting Policies	2A		

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

As per our report of even date attached	**For and on behalf of the Board of Directors DCM Shriram Industries Limited**	
For B S R & Co. LLP		
Chartered Accountants	Vineet Manaktala	S.B. Mathur
ICAI Firm Registration no.:	Director Finance & Chief Financial Officer	Chairman
101248W/W-100022	DIN: 09145644	DIN: 00013239
	Alok B. Shriram	Madhav B. Shriram
Kaushal Kishore	Sr. Managing Director	Managing Director
Partner	DIN: 00203808	DIN: 00203521
Membership No.: 090075	Y.D. Gupta	Urvashi Tilakdhar
	Vice President & Company Secretary	Wholetime Director
Place: New Delhi	Place: New Delhi	DIN: 00294265
Date: May 27, 2024	Date: May 27, 2024	

Consolidated Statement of Profit and Loss for the year ended March 31, 2024

Particulars	Note	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Revenue from operations	30	**2,08,290.18**	2,35,092.47
Other income	31	**2,255.18**	1,750.73
Total Income		**2,10,545.36**	2,36,843.20
Expenses			
Cost of materials consumed	32	**1,30,302.11**	1,30,589.30
Purchase of traded goods	33	**5,713.42**	24,148.52
Changes in inventories of finished goods and work-in-progress	34	**(13,152.74)**	3,366.21
Employee benefits expense	35	**19,410.57**	18,637.52
Finance costs	36	**3,576.54**	3,354.00
Depreciation and amortisation expense	37	**3,891.80**	3,589.87
Other expenses	38	**43,570.22**	44,101.97
Total expenses		**1,93,311.92**	2,27,787.39
Profit before share of profit of equity accounted investees and tax		**17,233.44**	9,055.81
Share of profit of equity accounted investee (net of tax)		**25.36**	39.73
Profit before tax		**17,258.80**	9,095.54
Tax expense			
Current tax	39	**5,363.89**	2,260.20
Deferred tax	39	**354.67**	819.33
		5,718.56	3,079.53
Profit for the year		**11,540.24**	6,016.01
Other comprehensive income / (expense)			
Items that will not be reclassified to profit and loss			
Re-measurement gain / (loss) on defined benefit obligation		**108.93**	(365.67)
Income tax pertaining to items that will not be reclassified to profit or loss		**(38.07)**	127.78
Share of OCI of equity accounted investees (net of tax)		**-**	2.05
Total other comprehensive income / (expense), net of taxes		**70.86**	(235.84)
Total comprehensive income		**11,611.10**	5,780.17
Profit for the year attributable to	50		
- Owners of the Company		**11,540.24**	6,016.01
- Non-controlling interest		**-**	-
Other comprehensive income for the year attributable to	50		
- Owners of the Company		**70.86**	(235.84)
- Non-controlling interest		**-**	-
Total comprehensive income for the year attributable to	50		
- Owners of the Company		**11,611.10**	5,780.17
- Non-controlling interest		**-**	-
Earnings per equity share of Rs. 2 each - basic/ diluted (Rs.)	44	**13.27**	6.92
Material Accounting Policies	2A		

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

As per our report of even date attached	**For and on behalf of the Board of Directors DCM Shriram Industries Limited**	
For B S R & Co. LLP		
Chartered Accountants	Vineet Manaktala	S.B. Mathur
ICAI Firm Registration no.:	Director Finance & Chief Financial Officer	Chairman
101248W/W-100022	DIN: 09145644	DIN: 00013239
	Alok B. Shriram	Madhav B. Shriram
Kaushal Kishore	Sr. Managing Director	Managing Director
Partner	DIN: 00203808	DIN: 00203521
Membership No.: 090075	Y.D. Gupta	Urvashi Tilakdhar
	Vice President & Company Secretary	Wholetime Director
Place: New Delhi	Place: New Delhi	DIN: 00294265
Date: May 27, 2024	Date: May 27, 2024	

Statement of Consolidated Changes in Equity for the year ended March 31, 2024

A. Equity share capital

Particulars	Rs. lakhs
Balance as at April 1, 2022	1,739.84
Changes in equity share capital during the year ended March 31, 2022	-
Balance as at March 31, 2023	**1,739.84**
Changes in equity share capital during the year ended March 31, 2023	-
Balance as at March 31, 2024	**1,739.84**

B. Other equity

(Rs. lakhs)

Particulars	Reserve and surplus						
	Amalgamation reserve	General reserve	Capital redemption reserve	Capital reserve	Securities Premium	Retained Earnings	Total
Balance as at April 1, 2022	1,411.38	13,465.60	0.10	234.89	3,406.68	46,932.96	65,451.61
Profit for the year	-	-	-	-	-	6,016.01	6,016.01
Other comprehensive (expense) for the year net of tax	-	-	-	-	-	(235.84)	(235.84)
Total comprehensive income for the year	-	-	-	-	-	5,780.17	5,780.17
Transactions with shareholders, recorded directly in equity						-	
Distribution to shareholders						-	
Final dividend on equity shares (Rs.0.50 per equity share of nominal value of Rs.2 each)						(434.96)	(434.96)
Interim dividend on equity shares (Rs.1.00 per equity share of nominal value of Rs.2 each)						(869.92)	(869.92)
Balance as at March 31, 2023	1,411.38	13,465.60	0.10	234.89	3,406.68	51,408.25	69,926.90
Balance as at April 1, 2023	**1,411.38**	**13,465.60**	**0.10**	**234.89**	**3,406.68**	**51,408.25**	**69,926.90**
Profit for the year	-	-	-	-	-	**11,540.24**	**11,540.24**
Other comprehensive income / (expense) for the year net of tax	-	-	-	-	-	**70.86**	**70.86**
Total comprehensive income for the year	-	-	-	-	-	**11,611.10**	**11,611.10**
Transactions with shareholders, recorded directly in equity							
Distribution to shareholders							
Interim dividend on equity shares (Rs. 2 per equity share of nominal value of Rs.2 each)	-	-	-	-	-	**(1,739.84)**	**(1,739.84)**
Balance as at March 31, 2024	**1,411.38**	**13,465.60**	**0.10**	**234.89**	**3,406.68**	**61,279.51**	**79,798.16**

Nature and purpose of reserve

a. Amalgamation reserve

Amalgation reserve has been created on amalgamation of Daurala Organics Limited with the Group.

b. General reserve

Profits earned by the Group are transferred to General reserve as decided.

c. Capital redemption reserve

Created on redemption of preference shares as per requirements of the Companies Act, 1956.

d. Capital reserve

Represents excess of Group's portion of equity in the subsidiary over its cost of investment.

e. Securities premium

Securities premium has been created on account of the premium received on issue of shares and capital and reorganisation reserve reclassified in the year ended March 31, 1993.This reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

f. Retained earnings

Retained earnings includes re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to statement of profit and loss. Retained earnings is a free reserve available to the group.

Material Accounting Policies 2A

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

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration no.:
101248W/W-100022

Kaushal Kishore
Partner
Membership No.: 090075

Place: New Delhi
Date: May 27, 2024

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

Vineet Manaktala
Director Finance & Chief Financial Officer
DIN: 09145644

S.B. Mathur
Chairman
DIN: 00013239

Alok B. Shriram
Sr. Managing Director
DIN: 00203808

Madhav B. Shriram
Managing Director
DIN: 00203521

Y.D. Gupta
Vice President & Company Secretary

Urvashi Tilakdhar
Wholetime Director
DIN: 00294265

Place: New Delhi
Date: May 27, 2024

Consolidated statement of cash flow for the period ended March 31, 2024

Particulars	For the Year ended March 31,2024 Rs. Lakhs	For the Year ended March 31,2023 Rs. Lakhs
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	**17,258.80**	9,095.54
Adjustments for :		
Depreciation and amortisation	**3,891.80**	3,589.87
Finance costs	**3,576.54**	3,354.00
Interest income	**(224.12)**	(107.14)
Interest income against subvention	**(210.94)**	(290.81)
(Profit) on sale of property,plant and equipment / discarded assets (net)	**(11.42)**	(16.38)
Share of profit of equity accounted investees (net of tax)	**(25.36)**	(39.73)
Provisions/liabilities no longer required written back	**(109.16)**	(342.20)
Bad debts and advances written off	**-**	10.10
Profit on sale of current investments	**(137.62)**	(43.98)
Net gain on fair value of investments	**(97.88)**	(66.29)
Operating profit before changes in assets and liabilities	**23,910.64**	15,142.98
Changes in assets and liabilities		
Increase in trade payables	**4,206.96**	967.38
Increase in financial liabilities	**152.71**	6,529.95
Increase in other liabilities & provisions	**4,354.01**	9,480.06
(Increase) / Decrease in trade receivables	**(3,363.02)**	1,260.74
(Increase) in inventories	**(10,471.55)**	(213.31)
(Increase) in financial assets	**(6,673.74)**	(10,952.51)
(Increase) in other assets	**(1,003.69)**	(3,742.78)
Cash generated from operations	**11,112.32**	18,472.51
Income tax paid (net)	**(3,448.77)**	(1,611.00)
Net cash from operating activities (A)	**7,663.55**	16,861.51
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure on acquisition of items of property, plant and equipments and intangible assets, including capital work in progress	**(3,572.91)**	(5,260.38)
Proceeds from sale of property, plant and equipments	**161.99**	97.39
Investment in mutual fund (net)	**(3,474.83)**	(4,403.78)
Investment in equity shares - non current	**-**	(133.92)
Proceeds from sale of current investments	**3,186.76**	2,669.48
Investment in bank desposit	**(412.07)**	(4.98)
Changes in other bank balances	**(437.25)**	156.89
Interest received	**223.05**	91.77
Net cash (used in) investing activities (B)	**(4,325.26)**	(6,787.53)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term borrowings	**900.00**	1,046.09
Repayment of long term borrowings	**(7,233.46)**	(7,532.17)
Proceeds from short term borrowings (net)	**8,054.30**	1,126.16
Repayment of Lease Liabilities	**(508.27)**	(449.42)
Finance costs paid (Net of subvention)	**(3,399.92)**	(3,029.46)
Dividend paid	**(52.50)**	(1,293.02)
Net cash (used in) financing activities (C)	**(2,239.85)**	(10,131.82)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	**1,098.44**	(57.84)
Cash and cash equivalents at the beginning of the year	**784.25**	842.08
Cash and cash equivalents at the end of the year	**1,882.69**	784.24
Components of cash and cash equivalents		
Balances with scheduled banks:		
- Current accounts	**1,866.49**	767.69
- Cash in hand	**16.20**	16.55
Cash and cash equivalents at the end of the year	**1,882.69**	784.24

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities :

Particulars	Non-current borrowings*	Current borrowings#	Lease liability	Total
Opening balance as at April 1, 2022	20,815.96	33,572.92	1,777.67	56,166.55
Cash flows during the year	(7,495.54)	(135.15)	(598.01)	(8,228.70)
Non-cash changes due to:				
- Interest expense (net of subvention)	1,653.29	1,261.31	-	2,914.60
- Finance cost on lease liability	-	-	148.59	148.59
- Lease liability recognised	-	-	204.65	204.65
Closing balance as at March 31, 2023	14,973.71	34,699.08	1,532.90	51,205.69
Opening balance as at April 1, 2023	**14,973.71**	**34,699.08**	**1,532.90**	**51,205.69**
Cash flows during the year	**(7,346.61)**	**5,811.16**	**(651.89)**	**(2,187.34)**
Non-cash changes due to:				
- Interest expense (net of subvention)	**978.84**	**2,243.14**	**-**	**3,221.98**
- Finance cost on lease liability	**-**	**-**	**143.62**	**143.62**
- Lease liability recognised	**-**	**-**	**642.75**	**642.75**
Closing balance as at March 31, 2024	**8,605.94**	**42,753.38**	**1,667.38**	**53,026.70**

* Includes current maturities of long term borrowings, interest accrued but not due on borrowings and unclaimed deposits and interest accrued thereon, refer Note 22 and 27.

This does not include current maturities of loan term borrowings

Notes

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

   Material Accounting Policies 2A

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

As per our report of even date attached	For and on behalf of the Board of Directors DCM Shriram Industries Limited	
For B S R & Co. LLP		
Chartered Accountants	Vineet Manaktala	S.B. Mathur
ICAI Firm Registration no.:	Director Finance & Chief Financial Officer	Chairman
101248W/W-100022	DIN: 09145644	DIN: 00013239
	Alok B. Shriram	Madhav B. Shriram
Kaushal Kishore	Sr. Managing Director	Managing Director
Partner	DIN: 00203808	DIN: 00203521
Membership No.: 090075	Y.D. Gupta	Urvashi Tilakdhar
	Vice President & Company Secretary	Wholetime Director
Place: New Delhi	Place: New Delhi	DIN: 00294265
Date: May 27, 2024	Date: May 27, 2024	

1. Corporate information

DCM Shriram Industries Limited (the "Parent Group" or the "Holding Company") is a Public Limited Listed Group incorporated in India and having its registered office at Kanchenjunga Building, 18, Barakhamba Road, New Delhi – 110001. The Holding Company, its subsidiaries (together "the Group") and its associate are primarily engaged in production and sale of sugar, alcohol, power, chemicals and industrial fibers.

2. Principles of consolidation and basis of preparation

2.1 Principles of consolidation

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

(i) Subsidiary:

Subsidiary is an entity controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiary are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interest in the results and equity of the subsidiary are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Balance Sheet respectively. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in the statement of profit or loss.

(ii) Equity accounted investees

The Group's interest in equity accounted investees comprise interest in associate.

An associate is an entity over which the group has significant influence but not control or joint control over the financial and operating policies.

Investments in associate are accounted for using the equity method of accounting. It is initially recognized at cost which includes transaction cost. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and other comprehensive income (OCI) of equity accounted investees until the date on which significant influence ceases.

The details of the entities included in the consolidation and the Parent Group's holding therein is as under:

S. No.	Name of the entity	Nature of relation	Ownership in % either directly or through subsidiary		Country of Incorporation
			2023-24	2022-23	
1	Daurala Foods and Beverages Private Limited (DFBPL)	Subsidiary	100	100	India
2	DCM Shriram Fine Chemicals Limited (DSFCL)	Subsidiary	100	100	India
3	DCM Shriram International Limited (DSIL)	Subsidiary	100	100	India
4	DCM Hyundai Limited (DHL)	Associate	49.28	49.28	India

Consolidation procedure for subsidiaries:

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with that of its subsidiary. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date.

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of subsidiary. Business combinations policy explains how to account for any related goodwill.

(c) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions (profits or losses resulting from intragroup transactions that are recognized in assets, such as inventory and property, plant and equipment ('PPE'), are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statement of subsidiary to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.2 Basis of preparation of consolidated financial statements

a) Statement of compliance

These Consolidated Financial Statements ("Consolidated Financial Statements") of the Group and its associate 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. The accounting policies are applied consistently in the financial statements.

These Consolidated Financial Statements of the Group and its associate for the year ended March 31, 2024, are approved by the Holding Company’s Audit Committee and by the Board of Directors on May 27, 2024.

b) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Group’s functional currency. All amounts are in Rupees lakhs with two decimal points rounded-off to the nearest thousands, unless otherwise stated.

c) Basis of measurement

The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following items:

Items	**Measurement basis**
Derivative financial instruments	Fair value through profit and loss (FVTPL)
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations
Investments in Mutual Funds	Fair value through profit and loss (FVTPL)

Fair value is the price that would be received on the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated, using another valuation technique. In determining the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

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. 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 Group.

In particular, information about significant areas of estimation/ uncertainty and judgements in applying accounting policies that have the most significant effects on the consolidated financial statements includes:

- Recognition and estimation of tax expense including deferred tax- Note 2A(g) and 39.
- Assessment of useful life of property, plant and equipment and intangible assets- Note 2A(b) and (c).
- Estimation of obligations relating to employee benefits: key actuarial assumptions - Note 2A(h)

- Valuation of inventories- Note 2A(d)
- Fair value measurement of financial instruments- Note 2A(q)
- Lease classification- Note 2A(n)
- Determination of Right-of-use (ROU) assets and liabilities; incremental borrowing rate and lease term- Note 2A(n)
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources- Note 2A(l)
- Impairment of financial assets- Note 2A(q)
- Impairment of non-financial assets- Note 2A(k)

2A. Material accounting policies

a) Operating cycle

Based on the nature of products/ activities of the Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purposes 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 Group'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 non-current 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 Group'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 Group 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.

Deferred Tax Assets and Liabilities are classified as non-current only.

b) Property, plant and equipment (PPE)

(i) Recognition and measurement

All items of property, plant and equipment are measured at cost, which includes capitalized borrowing costs, less accumulated depreciation/ amortization and accumulated impairment losses, if any.

Cost of acquisition or construction of property, plant and equipment comprises its purchase price including import duties and non-refundable purchase taxes after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. Capital work-in-progress is stated at cost, net of impairment loss, if any.

The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition and location for their intended use, and the estimated cost of dismantling and removing the items and restoring the site on which they are located. Interest cost incurred for constructed assets is capitalised up to the date the asset is ready for its intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been used for the asset.

When parts of an item of property, plant and equipment having significant cost have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognized.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no further economic benefit is expected from its use and disposal. Assets retired from active use and held for disposal are generally stated at the lower of their net book value and net realizable value. Any gains or losses arising on disposal of property, plant and equipment are recognized in the Statement of Profit and Loss. Incomes and expenses related to the incidental operations not necessary to bring the item to the location and the condition necessary for it to be capable of operating in the manner intended by management are recognized in the Statement of profit and loss.

Once classified as held-for-sale, property, plant and equipment are no longer depreciated. Gains or losses arising from de-recognition of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated Statement of Profit and Loss when the asset is derecognized.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, as appropriate.

(ii) Transition to IND AS

The cost of property, plant and equipment as of April 01, 2016, the Group's date of transition to Ind AS, was determined with reference to its carrying value, recognised as per the previous GAAP (deemed cost).

(iii) Subsequent expenditure

Subsequent expenditure is recognized as an increase in the carrying amount of the asset when it is probable that future economic benefits deriving from the cost incurred, will flow to the enterprise and the cost of the item can be measured.

(iv) Depreciation

Depreciation is provided on a pro-rata basis using the straight-line method as per the useful lives prescribed in Schedule II to the Companies Act, 2013. Leasehold land (being in the nature of perpetual lease) and freehold land are not depreciated.

Depreciation methods, useful lives and residual values are reviewed in each financial year, and changes, if any, are accounted for prospectively.

The estimated useful lives are as mentioned below:

Type of asset	Useful lives (in years)
Leasehold improvements	Lease term
Buildings	5-60 years
Plant and equipment	10-40 years
Vehicles	8-10 years
Office equipment	5 years
Furniture and fixtures	10 years

c) Intangible assets

(i) Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price including duties and taxes and any costs directly attributable to making the assets ready for their intended use. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the Statement of Profit and Loss when the asset is derecognised.

(ii) Subsequent expenditure

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

(iii) Amortisation

Intangible assets, being computer software are amortised in the Statement of Profit and Loss over the estimated useful life of five years using the straight line method.

The amortisation method and the useful lives of intangible assets are reviewed annually and adjusted, as necessary.

d) Inventories

Inventories are valued at the lower of cost and net realizable value. Cost is ascertained on a ‘weighted average’ basis.

Cost includes direct materials, labour, freight inwards, other direct cost, a proportion of manufacturing overheads based on normal operating capacity, net of refundable duties, levies and taxes, wherever applicable.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs, necessary to make the sale.

Assessment of net realisable value is made at each reporting date. When the circumstances that previously caused inventories to be written down below cost no longer exist or when there is clear evidence of an increase in net realisable value because of changed economic circumstances, the amount so written-down is adjusted in terms of policy as stated above.

Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.

The cost of production (including cost of conversion) of joint products is allocated on such joint products, based on a rational and consistent basis, i.e., relative realisable value at the separation point, when the products become separately identifiable.

By-products are valued at estimated net realizable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

e) Revenue recognition

i. Sale of goods

Revenue from sale of goods is recognised at the point in time when control of products is transferred to the customer. Amounts disclosed as revenue are net of returns and allowances, trade discounts and rebates. The Group collects Goods and Services Tax on behalf of the government and, therefore, these are not economic benefits flowing to the Group. Hence, these are excluded from the revenue. At contract inception, the Group assesses the goods or services promised in a contract with a customer and identify, as a performance obligation, each promise to transfer to the customer.

Revenue from contracts with customers is recognized when control of goods or services are transferred to customers and the Group retains neither continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold. The timing of the transfer of control of products to customers at the time of dispatch, during shipment or receipt of goods by the customers which vary based on individual terms of the sales agreements.

Revenue is measured based on the transaction price, which is the consideration, adjusted for variable consideration such as volume discounts, cash discounts, etc., as specified in the contract with the customer. Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made.

Contract asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due.

Contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is received or due, whichever is earlier. Contract liabilities are recognised as revenue when the Group performs under the contract.

ii. Rendering of services

Revenue from rendering of services are recognised over a period of time as and when underline services are performed as the customer simultaneously receives and consumes the benefit provided by the Group's performance. Payment for the service rendered is received as per the credit terms in the agreements with the customers. Where the credit period is short term, no financing component is considered. Job work is recognized upon full completion of the job work.

iii. Income from Renewable Energy Certificates (RECs)

Income from Renewable Energy Certificates (RECs) is recognised at estimated realisable value on confirmation of RECs by the concerned authorities.

Use of significant judgements in revenue recognition:

- Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as volume discounts, price concessions and incentives. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- The Group's performance obligation under revenue contracts, is satisfied at a point in time and judgement is exercised in determining the same.

f) Interest and dividend income

Interest income are reported on an accrual basis using the effective interest method, when the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding. Dividends income from investments is recognised when the shareholder's right to receive payment has been established.

g) Income tax

Income tax expense comprises current and deferred tax. It is recognised in Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other Comprehensive Income (OCI).

- Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received after considering uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

  Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

  Current tax is recognised in statement of profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current tax is also recognised in other comprehensive income or directly in equity respectively. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.
- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:
  - temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that effects neither accounting nor taxable profit or loss at the time of the transaction;
  - temporary differences related to freehold land and investments in subsidiary, to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
  - taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets (DTA) include Minimum Alternate Tax (MAT) paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Minimum Alternative Tax (MAT) Credit

In case of tax payable as Minimum Alternative Tax ('MAT') under the provisions of the Income-tax Act, 1961, the credit available under the Act in respect of MAT paid is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as a deferred tax asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

h) Employee benefits

i) Short-term benefits

All employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex-gratia. Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid, if the Group has a present legal or constructive obligation to pay the amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii) Defined contribution plans

The defined contribution plans, i.e., provident fund (administered through Regional Provident Fund Office), superannuation fund and employee state insurance corporation are post-employment benefit plans under which a Group pays fixed contributions and will have no legal and constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as an employee benefit expense in the Statement of Profit and Loss when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

iii) Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

Gratuity

The Group provides for gratuity, a defined benefit plan (the Gratuity Plan), covering all eligible employees. In accordance with The Payment of Gratuity Act, 1972, the Gratuity plan provides a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment. These are funded by the Group and are managed by Life Insurance Corporation of India (LIC).

The calculation of defined benefit obligation is performed by a qualified actuary separately for each plan using the projected unit credit method, which recognises each year of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rate used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date, having maturity periods approximating to the terms of related obligations.

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contribution to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the Statement of Profit and Loss.

When benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in the Statement of Profit and Loss. The Group recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

*Provident fund (*other than those made to the Regional Provident Fund Office of the Government)

Provident Fund Contributions other than those made to the Regional Provident Fund Office of the Government which are made to the Trusts administered by the Group are accounted for on the basis of actuarial valuation. The interest rate payable to the members of the Trust is not considered to be lower than the statutory rate of interest declared by the Central Government under the Employees Provident Funds and Miscellaneous Provisions Act, 1952 and, shortfall, if any, based on actuarial estimate by an approved actuary, is made good by the Group.

iv) Other long-term employee benefits

Benefits under the Group's privilege leaves and medical leave are other long term employee benefits. The Group's net obligation in respect of privilege leave and medical leave are the amount of future benefits that employees have earned in return for their service in the current and prior periods. The benefit is discounted to determine its present value. The obligation is measured on the basis of an actuarial valuation using the projected unit credit method.

Re-measurements are recognised in Statement of Profit and Loss in the period in which they arise.

i) Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate, and presented within other income (operating or non-operating, as appropriate) other than export benefits which are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

A government grant that becomes receivable as compensation for expenses or losses incurred in a previous period, is recognised in profit or loss of the period in which it becomes receivable.

j) Foreign currency transactions and translation

The management has determined the currency of the primary economic environment in which the Group operates, i.e., functional currency, to be Indian Rupees (INR). The financial statements are presented in INR which is Group's functional and presentational currency.

Monetary and non-monetary transactions in foreign currencies are initially recorded in the functional currency of the Group at the exchange rates at the dates of the transactions or at an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary foreign currency assets and liabilities remaining unsettled on reporting date are translated at the rates of exchange prevailing on reporting date. Gains/ losses arising on account of realisation/ settlement of foreign exchange transactions and on translation of monetary foreign currency assets and liabilities are recognised in the Statement of Profit and Loss.

Non-monetary items measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

The derivative financial instruments such as forward exchange contracts to hedge its risk associated with foreign currency fluctuations are stated at fair value. Any gains or losses arising from changes in fair value are taken directly to Statement of Profit or Loss.

k) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets (other than inventories and deferred tax assets) are reviewed at each reporting date to determine whether there is any indication of impairment considering the provisions of Ind AS 36 'Impairment of Assets'. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU"). In determining fair value less costs of disposal, recent market transactions are considered. If no such transactions can be identified, an appropriate valuation model is used.

The Group's corporate assets (e.g., central office building for providing support to various CGUs) do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined in relation to the CGUs to which a corporate asset belongs.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in the Statement of Profit and Loss. Impairment losses recognized in respect of CGUs are reduced from the carrying amounts of the assets of the CGU.

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

l) Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, and 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 periods. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, appropriately, the 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 Group 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 Group 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 Group. 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 Group does not recognise a 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.

m) Borrowing cost

Borrowing costs that are directly attributable to the acquisition, construction or erection of qualifying assets are capitalised as part of cost of such asset until such time that the assets are substantially ready for their intended use. Qualifying assets are assets which take a substantial period of time to get ready for their intended use or sale.

When the Group borrows funds specifically for the purpose of obtaining a qualifying asset, the borrowing costs incurred are capitalized. When Group borrows funds generally and uses them for the purpose of obtaining a qualifying asset, the capitalization of the borrowing costs is computed based on the weighted average cost of general borrowing that are outstanding during the period and used for the acquisition of the qualifying asset.

Capitalisation of borrowing costs ceases when substantially all the activities necessary to prepare the qualifying assets for their intended uses are complete. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs include exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

All other borrowing costs are recognised as an expense in the year in which they are incurred.

n) Leases

Group as a lessee

The Group 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 Ind AS 116, 'Leases'. The Group assesses whether a contract contains a lease, at the inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- the contract involves the use of an identified asset
- the Group has substantially all of the economic benefits from use of the asset through the period of the lease and the Group has the right to direct the use of the asset.

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 unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. The estimated useful life of the right-of-use assets are determined on the same basis as those of property, plant and equipment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the 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. 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. The carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero. Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities include these options when it is reasonably certain that they will be exercised.

The Group uses a single discount rate to a portfolio of leases with similar characteristics.

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.

o) Earnings per share (EPS)

Basic earnings / (loss) per share are calculated by dividing the net profit or loss for the year attributable to the shareholders of the Group 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 year 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 year 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.

p) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker (CODM).

In accordance with Ind AS 108 – "Operating Segments", the operating segments used to present segment information are identified on the basis of internal reports used by the Group's Management to allocate resources to the segments and assess their performance.

The Executive Committee, primarily comprising Chairman and Managing Director, Whole Time Directors, Business Heads, Chief Financial Officer and Company Secretary, is collectively the Group's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. All operating segments' operating results are reviewed regularly by the CODM to make decisions about resources to be allocated to the segments and assess their performance. Refer Note 40 for segment information.

Based on "Management Approach", as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Group's performance and allocates the resources based on an analysis of various performance indicators by business segments. Inter segment sales and transfers are reflected at market prices.

Unallocable items include general corporate income and expense items which are not allocated to any business segment.

Segment policies:

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the consolidated financial statements of the Group as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

q) 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.

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

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

Further information about the assumptions made in measuring fair values used in preparing these financial statements is included in the respective notes.

Initial recognition and measurement

With the exception of trade receivables that do not contain a significant financing component, the Group initially measures financial asset at its fair value, in the case of a financial asset not at fair value through profit or loss, net of transaction costs. Trade receivables do not contain a significant financing component and are measured at the transaction price determined under Ind AS 115. Refer to the accounting policies in section 2A (e) Revenue recognition.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets of the Group are classified in three categories:

a) At amortised cost

b) At fair value through profit and loss (FVTPL)

c) At fair value through other comprehensive income (FVTOCI)

Financial Asset is measured at amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

All those financial assets that are not classified as measured at amortised cost or FVTOCI, are measured at FVTPL. This includes all derivative financial assets and current investments in mutual funds. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVTOCI, as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Equity investments

All equity investments in the scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are measured at fair value through profit and loss.

For all other equity instruments, the Group may make an irrevocable election to present subsequent changes in the fair value in other comprehensive income. The Group makes such election on an instrument by instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in other comprehensive income. This cumulative gain or loss is not reclassified to Statement of Profit and Loss on disposal of such instruments.

Investments representing equity interest in associate are carried at cost less any provision for impairment.

Impairment of financial assets

The Group recognizes loss allowances for expected credit losses on:

- Financial assets measured at amortized cost; and
- Financial assets measured at FVTOCI – debt instruments.

Loss allowance for trade receivables is measured at an amount equal to lifetime ECL. For all financial assets with contractual cash flows other than trade receivable, ECLs are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of ECLs (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is recognised as an impairment gain or loss in the Statement of Profit and Loss.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment, that includes forward-looking information.

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVTOCI 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. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 180 days past due;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

With regard to trade receivable, the Group has applied the simplified approach for initial recognition of expected lifetime losses.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or 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, the Group 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.

Derecognition

(i) *Financial assets*

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transactions whereby it transfers assets recognised on its Balance Sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

(ii) *Financial liabilities*

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the Statement of Profit and Loss.

r) Cash and cash equivalents

For the purpose of presentation in the Statement of Cash Flows, cash and cash equivalents include 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.

s) Research and development

Expenditure on research and development activities is recognized in the Statement of Profit and Loss as incurred.

Development expenditure is capitalized as part of cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses, if any.

t) Dividend

The Group recognises a liability to make cash distributions to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

u) Goods and services tax input credit

Goods and services tax input credit is recognised in the books of account in the period in which the supply of goods or service received is recognised and when there is no uncertainty in availing/utilising the credits.

Expenses and assets are recognised net of the goods and services tax/value added taxes paid, except:

i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

ii. When receivables and payables are stated with the amount of tax included, the net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the Balance Sheet.

v) Assets held for sale

Non current assets or disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through sale rather than through continuing use. The condition for classification of held for sale is met when the non current asset or the disposal group is available for immediate sale and the same is highly probable of being completed within one year from the date of classification as held for sale. Non current assets or disposal groups held for sale are measured at the lower of carrying amount and fair value, less cost to sell.

A gain or loss of the non-current asset is recognised at the date of de-recognition. Once classified as held-for-sale, property, plant and equipment are no longer amortised or depreciated.

2B. 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 Group.

3. Property, plant and equipment and capital work-in-progress (Rs. lakhs)

Particulars	Freehold land*	Leasehold land*	Leasehold improvement	Buildings	Plant and equipment	Vehicles	Office equipment	Furniture and fixtures	Total	Capital work-in-progress
Gross carrying amount										
Balance as at April 1, 2022	789.26	2,499.53	423.56	5,326.50	56,049.72	1,078.33	1,375.39	267.01	67,809.30	3,257.23
Add: Additions during the year	34.14	256.32	-	966.69	6,462.32	304.77	222.35	23.66	8,270.25	4,602.45
Less: Disposals/Adjustments/ Capitalised during the year	1.11	-	-	45.25	15.88	95.78	30.61	17.60	206.23	7,639.07
Balance as at March 31, 2023	**822.29**	**2,755.85**	**423.56**	**6,247.94**	**62,496.16**	**1,287.32**	**1,567.13**	**273.07**	**75,873.32**	**220.61**
Add: Additions during the year	**-**	**-**	**-**	**272.50**	**2,224.29**	**297.43**	**86.42**	**19.04**	**2,899.68**	**2,908.31**
Less: Disposals/Adjustments/ Capitalised during the year	**-**	**-**	**-**	**-**	**223.75**	**213.64**	**33.73**	**6.87**	**477.99**	**2,444.74**
Balance as at March 31, 2024	**822.29**	**2,755.85**	**423.56**	**6,520.44**	**64,496.70**	**1,371.11**	**1,619.82**	**285.24**	**78,295.01**	**684.18**
Accumulated depreciation										
Balance as at April 1, 2022	-	-	79.24	1,110.38	9,216.80	341.76	409.99	121.11	11,279.28	-
Depreciation expense during the year	-	-	46.62	158.54	2,432.73	135.25	254.31	35.38	3,062.83	-
Less: Disposals / adjustments during the year	-	-	-	2.72	12.19	49.86	24.03	0.63	89.43	-
Balance as at March 31, 2023	**-**	**-**	**125.86**	**1,266.20**	**11,637.34**	**427.15**	**640.27**	**155.86**	**14,252.68**	**-**
Add: Depreciation expense during the year	**-**	**-**	**32.00**	**198.97**	**2,639.51**	**160.04**	**272.47**	**33.00**	**3,335.99**	**-**
Less: Disposals / adjustments during the year	**-**	**-**	**-**	**-**	**141.41**	**150.34**	**31.21**	**4.46**	**327.42**	**-**
Balance as at March 31, 2024	**-**	**-**	**157.86**	**1,465.17**	**14,135.44**	**436.85**	**881.53**	**184.40**	**17,261.25**	**-**
Net carrying value										
As at March 31, 2024	**822.29**	**2,755.85**	**265.70**	**5,055.27**	**50,361.26**	**934.26**	**738.29**	**100.84**	**61,033.76**	**684.18**
As at March 31, 2023	822.29	2,755.85	297.70	4,981.74	50,858.82	860.17	926.86	117.22	61,620.64	220.61

Ageing of capital work-in-progress is as under:

(Rs. lakhs)

Capital work-in-progress	Amount in capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024					
Projects in progress	**684.18**			-	**684.18**
Total	**684.18**	-	-	-	**684.18**
As at March 31, 2023					
Projects in progress	220.61	-	-	-	220.61
Total	**220.61**	**-**	**-**	**-**	**220.61**

* Refer note 54 for details of immovable properties which are not yet endorsed in the name of the Holding Company.

Notes:

1) For contractual commitments with respect to capital work-in-progress, refer note 42(B).

2) For details on property, plant & equipment & capital work-in-progress mortgaged/charged against borrowings, refer note 56.

3) Borrowing cost capitalised during the year Rs. Nil (March 31, 2023- Rs Nil) with a capitalisation rate of Nil (March 31, 2023-Nil)

4) Leasehold lands are in the nature of perpetual lease.

4. Intangible assets

(Rs. lakhs)

Particulars	Intangible assets- Software
Gross carrying amount	
Balance as at April 1, 2022	546.83
Add: Additions during the year	2.12
Less: Disposals / adjustments/ capitalized during the year	2.39
Balance as at March 31, 2023	**546.56**
Add: Additions during the year	**1.46**
Less: Disposals / adjustments/ capitalized during the year	**-**
Balance as at March 31, 2024	**548.02**
Accumulated amortisation	
Balance as at April 1, 2022	222.94
Amortisation expense during the year	87.83
Less: Disposals / adjustments during the year	2.37
Balance as at March 31, 2023	**308.40**
Add: Amortisation expense for the year	**83.73**
Less: Disposals / adjustments during the year	**-**
Balance as at March 31, 2024	**392.13**
Net carrying value	
As at March 31, 2024	**155.89**
As at March 31, 2023	238.16

Refer note 56 for information on assets charged as security by the Group.

5. Equity accounted investees

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Investments in equity shares of associate		
Unquoted equity instruments		
DCM Hyundai Limited		
19,72,000 (March 31, 2023 - 19,72,000)		
equity shares of face value of Rs. 10 each, fully paid up	**166.00**	166.00
Add : Group's share of net profits	**1,256.76**	1,231.40
	1,422.76	1,397.40

6. Investments- Non current

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Investment in equity instruments		
Unquoted equity instruments at cost		
Daurala Co-operative Development Union Limited		
2 (March 31, 2023 - 2) equity shares of face		
value of Rs. 10 each, fully paid up*	**0.00**	0.00
Zyrone Dynamics Havacilik Danismanlik ve Ar-Ge Sanayi ve Ticaret A.S.		
9,797 (March 31, 2023 - 9,797) equity shares of Face value of 1 Turkish Lira each, fully paid up		
	314.50	314.50
Total	**314.50**	314.50
Aggregate value of non-current unquoted investments	**314.50**	314.50

*The investment is valued at Rs.20

7. Loans- Non current

(unsecured, considered good unless otherwise stated)

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Loans to employees	**35.82**	62.82
Total	**35.82**	62.82

Refer note 56 for information on assets charged as security by the Group.

8. Other financial assets- Non current

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
To related parties (refer note 46)		
Security deposits (Unsecured, considered good)	**35.14**	30.98
To parties other than related parties		
Security deposits (Unsecured, considered good)	**446.62**	488.74
Bank deposits		
- with more than 12 months maturity	**191.92**	20.10
- held as margin money or security against borrowings, guarantees and other commitments	**26.24**	-
Interest accured on term deposits	**-**	0.82
Total	**699.92**	540.64

Refer note 56 for information on assets charged as security by the Group.

9. Income tax assets (net)

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Advance income tax (net of provision)	**2,348.39**	1,655.70
Total	**2,348.39**	1,655.70

Refer note 56 for information on assets charged as security by the Group.

10. Other non-current assets

(unsecured, considered good unless otherwise stated)

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
To related parties (refer note 46)		
Capital advances	**-**	24.00
To parties other than related parties		
Capital advances	**42.16**	6.17
Advance other than capital advances		
Deferred rent	**2.96**	3.33
Government dues paid and recoverable (refer note 55)	**5,667.02**	5,309.18
Balance with government authorities	**238.12**	237.29
Advances to employees	**25.06**	40.06
Prepaid expenses	**109.50**	18.82
Total	**6,084.82**	5,638.85

Refer note 56 for information on assets charged as security by the Group.

11. Inventories

(Valued at lower of cost and net realisable value)

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Raw materials*	**10,415.79**	12,639.17
Work in progress	**1,848.08**	1,927.85
Finished goods**#	**55,252.30**	42,019.79
Stores and spares	**6,438.30**	6,896.10
Total	**73,954.47**	63,482.91

* Include raw materials in transit Rs. 250.10 lakhs (March 31, 2023: Rs. 828.65 lakhs)

** Include finished goods in transit Rs. 1,051.06 lakhs (March 31, 2023: Rs. 1,337.47 lakhs)

The write-down of inventories to net realisable value amounted to Rs. 786.21 lakhs (March 31, 2023: Rs. 445.46 lakhs) The write-down is included in changes in inventories of finished goods.

Refer note 56 for information on assets charged as security by the Group.

12. Investments- Current

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Investment in mutual funds measured at fair value through profit and loss		
Unquoted investments		
1,326.72 (March 31, 2023: 23,916.09) HDFC Liquid Fund – Growth Direct Plan Units of Rs. 1000 each	**62.93**	1,057.86
5,71,951.25 (March 31, 2023: 2,30,362.72) ICICI Prudential Liquid Fund – Growth Direct Plan Units of Rs. 100 each	**2,044.19**	767.53
33,122.67 (March 31, 2023: 28,665.21) SBI Liquid Fund – Growth Direct Plan Units of Rs. 1000 each	**1,251.80**	1,009.96
	3,358.92	2,835.35
Aggregate amount of unquoted investments	**3,358.92**	2,835.35

13. Trade receivables

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
To parties other than related parties		
Unsecured, considered good	**27,587.24**	24,224.22
Unsecured, credit impaired	**10.10**	34.97
	27,597.34	24,259.19
Less : Loss allowance for trade receivables	**10.10**	34.97
Total	**27,587.24**	24,224.22

Ageing of trade receivables as on March 31, 2024 is as under: **(Rs. Lakhs)**

Particulars	Not due	Outstanding for following periods from due date of payment*					
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
- Undisputed Trade Receivables- considered good	24,268.20	3,219.58	9.62	6.54	3.52	4.75	27,512.21
- Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
- Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
- Disputed Trade Receivables- considered good	-	-	-	-	75.03	-	75.03
- Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
- Disputed Trade Receivables- credit impaired	-	-	-	-	10.10	-	10.10
Total	**24,268.20**	**3,219.58**	**9.62**	**6.54**	**88.65**	**4.75**	**27,597.34**

*In case no due date of payment is specified, disclosure is from the date of the transaction.

Ageing of trade receivables as on March 31, 2023 is as under: **(Rs. lakhs)**

Particulars	Not due	Outstanding for following periods from due date of payment*					
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	Total
- Undisputed Trade Receivables- considered good	23,139.08	988.30	4.82	8.67	7.62	0.70	24,149.19
- Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
- Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-	-
- Disputed Trade Receivables- considered good	-	-	-	75.03	-	-	75.03
- Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
- Disputed Trade Receivables- credit impaired	-	-	-	10.10	-	24.87	34.97
Total	**23,139.08**	**988.30**	**4.82**	**93.80**	**7.62**	**25.57**	**24,259.19**

* In case no due date of payment is specified, disclosure is from the date of the transaction.

The Group exposure to credit and currency risks are disclosed in note 47.

Refer note 56 for information on assets charged as security by the Group.

14. Cash and cash equivalents

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Balances with banks		
- On current accounts	**1,866.49**	767.69
Cash on hand	**16.20**	16.55
Total	**1,882.69**	784.24

Refer note 56 for information on assets charged as security by the Group.

15. Other bank balances

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Deposits with original maturity of more than three months but upto twelve months		
- in deposit accounts	**-**	979.34
- earmarked deposits held as margin money or security against borrowings, guarantees and other commitments	**1,027.87**	538.12
Earmarked balances with banks – unclaimed dividend accounts	**158.39**	210.89
Total	**1,186.26**	1,728.35

Refer note 56 for information on assets charged as security by the Group.

16. Loans- Current

(unsecured, considered good unless otherwise stated)

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
To parties other than related parties		
Loans to employees (including accrued interest)	**19.73**	18.56
Others	**-**	0.62
Total	**19.73**	19.18

Refer note 56 for information on assets charged as security by the Group.

17. Other financial assets- Current

(unsecured, considered good unless otherwise stated)

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
To parties other than related parties		
Security deposits	**53.95**	-
Interest accrued on term deposits	**-**	81.47
Government grant receivable	**141.24**	151.62
Reimbursement assets (Refer note 55)	**30,580.42**	26,312.70
Deposits with original maturity of more than twelve months		
- held as margin money or security against borrowings, guarantees and other commitments	**3,685.91**	-
Other receivables	**299.95**	283.70
Total	**34,761.47**	26,829.49

Refer note 56 for information on assets charged as security by the Group.

18. Other current assets

(unsecured, considered good unless otherwise stated)

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
To parties other than related parties		
Advances to contractors	**296.02**	272.51
Other advances		
Advance to employees	**30.92**	22.76
Balance with government authorities	**1,353.77**	1,053.16
Duty drawback and other incentive receivables	**226.02**	76.07
Prepaid expenses	**352.90**	322.36
Net defined benefit asset-Gratuity	**505.28**	308.76
Other receivables	**79.69**	111.27
Total	**2,844.60**	2,166.89

Refer note 56 for information on assets charged as security by the Group.

19. Equity share capital

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
a) Authorised		
32,50,00,000 equity shares of Rs. 2 each (March 31, 2023: 32,50,00,000 of Rs. 2 each)	**6,500.00**	6,500.00
b) Issued, subscribed and fully paid-up		
8,69,92,185 equity shares of Rs. 2 each fully paid-up (March 31, 2023: 8,69,92,185 of Rs.2 each)	**1,739.84**	1,739.84

c) Reconciliation of the 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 Rs. lakhs	Number of shares	Amount Rs. lakhs
Equity shares				
At the commencement of the year	**8,69,92,185**	**1,739.84**	8,69,92,185	1,739.84
Add: Shares issued	**-**	**-**	-	-
At the end of the year	**8,69,92,185**	**1,739.84**	8,69,92,185	1,739.84

d) Terms, rights, preferences and restrictions attached to equity shares

The Holding 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 Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Holding Company, after distribution of all preferential amounts. The distribution will be in proportion to the equity shares held by the shareholders.

The Holding Company declares and pays dividends in Indian rupees. The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the Annual General Meeting, except in case of interim dividend.

e) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Holding Company

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number of shares @ Rs 2 each	% of holding	Number of shares @ Rs. 2 each	% of holding
Lily Commercial Private Limited*	**4,35,88,680**	**50.11**	1,63,21,115	18,76
Versa Trading Limited*	**-**	**-**	1,33,03,540	15.30
HB Portfolio Limited	**40,77,132**	**4.69**	60,21,756	6.92
Bantam Enterprises Private Limited*	**-**	**-**	67,84,840	7.80

f) Details of shareholding of Promoters in the Holding company is as under:

S. No.	Promoter Name	As at March 31, 2024			As at March 31, 2023		
		Number of shares @ Rs 2 each	% of total shares	% Change during the year	Number of shares @ Rs 2 each	% of total shares	% Change during the year
1	Lily Commercial Private Limited*	**4,35,88,680**	**50.11**	**167.07%**	1,63,21,115	18.76	3.61%
2	Versa Trading Private Limited*	**-**	**-**	**-100.00%**	1,33,03,540	15.30	3.22%
3	Bantam Enterprises Private Limited*	**-**	**-**	**-100.00%**	67,84,840	7.80	-
4	Hi-Vac Wares Private Limited*	**-**	**-**	**-100.00%**	39,66,285	4.56	-
5	H. R. Travels Private Limited*	**-**	**-**	**-100.00%**	32,12,900	3.69	-
6	Aditi Dhar	**500**	**0.00**	**0.00%**	500	0.00	-
7	Akshay Dhar	**500**	**0.00**	**0.00%**	500	0.00	-
8	Divya Shriram	**435**	**0.00**	**0.00%**	435	0.00	-
	Total	**4,35,90,115**	**50.11**	**0.00%**	**4,35,90,115**	**50.11**	**-**

* A Composite Scheme of Amalgamation for the merger of Versa Trading Private Limited, Bantam Enterprises Private Limited, Hi-Vac Wares Private Limited and HR Travels Private Limited into and with the Lily Commercial Private Limited with effect from April 01, 2023 (which is the appointed date under the scheme) has been approved by the NCLT.

g) 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 during the previous 5 years.

		As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
20.	**Other equity**		
a.	**Amalgamation reserve**		
	Balance as at the beginning and at the end of the year	**1,411.38**	1,411.38
b.	**General reserve**		
	Balance as at the beginning and at the end of the year	**13,465.60**	13,465.60
c.	**Capital redemption reserve**		
	Balance as at the beginning and at the end of the year	**0.10**	0.10
d.	**Capital reserve**		
	Balance as at the beginning and at the end of the year	**234.89**	234.89
e.	**Securities Premium**		
	Balance as at the beginning and at the end of the year	**3,406.68**	3,406.68
f.	**Retained earnings**		
	Balance as at the beginning of the year	**51,408.25**	46,932.96
	Add: Profit for the year	**11,540.24**	6,016.01
	Items of other comprehensive income/ (expense) recognised directly in retained earnings		
	Remeasurement of defined benefit obligation, net of tax*	**70.86**	(237.89)
	Share of equity accounted investees	**-**	2.05
	Less: Appropriations		
	Final dividend on equity shares [Dividend per share Rs. Nil per share of nominal value of Rs. 2/- each (March 31, 2023: Rs. 0.5/- per share of nominal value of Rs. 2/- each)]	**-**	(434.96)
	Interim dividend on equity shares [Dividend per share Rs. 2/- per share of nominal value of Rs. 2/- each (March 31, 2023: Rs. 1/- per share of nominal value of Rs. 2/- each)]	**(1,739.84)**	(869.92)
	Balance at the end of the year	**61,279.51**	51,408.25
	Total	**79,798.16**	69,926.90

* Included in 'Items of other comprehensive income' in statement of changes in equity.

21. Borrowings

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
From related parties (refer note 46)		
Unsecured loans		
Public deposits	**440.80**	437.04
From parties other than related parties		
Secured loans		
Term loans from banks	**7,224.93**	13,109.57
Term loans from others	**354.64**	469.71
Deferred payment liability	**-**	305.07
Unsecured loans		
Public deposits	**462.06**	479.52
	8,482.43	14,800.91
Less: Current maturities of long term borrowings	**4,928.99**	7,469.90
Total	**3,553.44**	7,331.01
Details of current maturities of long term borrowings:		
Secured loans		
Term loans from banks	**4,437.53**	6,793.10
Term loans from others	**107.39**	115.07
Deferred payment liability	**-**	305.07
Unsecured loans		
Public deposits	**384.07**	256.66
	4,928.99	7,469.90

A. SECURED

I. From Banks

a) Rs.271.21 lakhs (March 31,2023: Rs.1,356.04 lakhs) carrying interest of 5% p.a., repayable in 3 monthly instalments, is secured by first pari-passu charge on all the immovable and movable properties of the Company excluding assets on exclusive charges.

b) Nil (March 31,2023: Rs.267.19 lakhs), Nil lakhs (March 31,2023: Rs.180.18 lakhs) and Rs.1,039.98 lakhs (March 31,2023: Rs.2,076.41 lakhs) carrying interest linked to lender's 1 year MCLR, repayable in 4 quarterly instalments, were/is secured by first pari-passu charge on all the immovable and movable properties of the Company excluding assets on exclusive charges.

c) Rs.2,916.89 lakhs (March 31,2023: Rs.4,338.97 Lakhs) carrying interest linked to lender's 1 year MCLR and spread thereon, repayable in 10 quarterly instalments, is secured by first pari-passu charge on all the immovable and movable properties of the Company excluding assets on exclusive charges.

d) Rs.1,736.47 lakhs (March 31,2023: Rs.2,941.50 lakhs) carrying interest of 8% p.a., repayable in 18 monthly instalments, is secured by first pari-passu charge by way of mortgage/hypothecation on all the fixed assets of the Company, excluding assets on exclusive charges.

e) Nil (March 31,2023: Rs.333.26 lakhs) and Rs.156.25 (March 31,2023: Rs.781.25 lakhs) carrying interest rate of 8.95% p.a., repayable in 1 quarterly instalment, was/is secured by residual pari-passu charge on fixed assets of sugar factory at Daurala Sugar Works, a unit of the Company.

f) Rs.145.12 lakhs (March 31,2023: Rs.762.90 lakhs) carrying interest linked to lender's 1 year MCLR and spread thereon with 50% interest subvention on part of the loan, repayable in 1 quarterly instalment, is secured by first pari-passu charge on fixed assets of Daurala Sugar Works - Sugar & Alcohol division, a unit of the Company.

g) Rs.900.00 lakhs (March 31,2023: Nil) carrying interest linked to lender's 1 year MCLR and spread thereon, repayable in 20 quarterly instalments, is secured by first pari-passu charge on fixed assets of Daurala Sugar Works - Sugar & Alcohol division, a unit of the Company.

h) Rs.59.02 Lakhs (March 31,2023: Rs.71.87 lakhs) is secured by hypothecation of specific asset carrying interest of 8.50%, repayable in 45 monthly instalments.

II. From Others

i) Rs.346.15 lakhs (March 31,2023: Rs.445.05 lakhs) carrying interest linked to RBI's Bank rate minus 2%., repayable in 7 half yearly instalments, is secured by first pari-passu charge on immovable and movable properties of sugar factory at Daurala Sugar Works, a unit of the Company.

ii) Rs.8.49 lakhs (March 31,2023: Rs.24.66 lakhs) is secured by hypothecation of specific asset carrying interest of 6.63%, repayable in 6 monthly instalments.

III. Deferred payment liability

Nil (March 31,2023: Rs.305.07 lakhs) was carrying interest rate of 10.50% and secured against specific immoveable property of a wholly owned subsidiary, DCM Shriram Fine Chemicals Limited, of the Company.

B. Unsecured

Rs.902.86 lakhs (March 31,2023: Rs.916.56 lakhs), deposits from public, carries interest between 9% p.a to 10% p.a., are currently repayable after 3 years from the date of acceptance of deposits.

C. The quarterly returns/statements filed by the Company with the banks are in agreement with the books of accounts of the Company.

22. Other financial liabilities- Non current

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
From related parties (refer note 46)		
Interest accrued but not due on borrowings	**24.30**	28.28
From parties other than related parties		
Interest accrued but not due on borrowings	**27.62**	1.08
Deposits from contractors and others	**10.37**	10.29
Due to customer (refer note 55)	**5,667.02**	5,331.53
Other payables	**41.96**	44.52
Total	**5,771.27**	5,415.70

23. Provisions- Non current

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Provision for employee benefits (refer note 45)		
- Compensated absences	**1,002.14**	903.95
Provision for contingencies*	**100.00**	100.00
Total	**1,102.14**	1,003.95

* Provision for contingencies represents the maximum possible exposure on ultimate settlement of issues relating to reorganisation arrangement of the Holding Company. There is no movement in the provision during the year.

24. Other non-current liabilities

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Other payables	**21.54**	58.85
Total	**21.54**	58.85

25. Borrowings

	As at March 31, 2024	As at March 31, 2023
Secured loans		
From banks - loans repayable on demand*	**42,753.38**	34,699.08
Current maturities of long term borrowings (refer note 21)	**4,928.99**	7,469.90
Total	**47,682.37**	42,168.98

* Secured by first pari-passu charge against the division's current and non-current assets (except reimbursement asset and division's property, plant and equipments), both present and future. Some of these are further secured by way of second pari-passu charge on the division's property, plant and equipment. These carry interest rates ranging from 5.00% to 9.50% p.a. (March 31, 2023: 1.25% to 9.50% p.a.). Also refer note 56.

26. Trade payables

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Total outstanding dues of micro enterprises and small enterprises (MESE)*	**1,309.68**	1,215.71
Total outstanding dues other than micro enterprises and small enterprises#	**30,373.44**	26,260.72
Total	**31,683.12**	27,476.43

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

Particulars	Not due^	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MESE	908.05	401.63	-	-	-	1,309.68
Others	4,692.89	25,631.47	10.53	36.27	2.28	30,373.44
Disputed dues - Others	-	-	-	-	-	-
Total	**5,600.94**	**26,033.10**	**10.53**	**36.27**	**2.28**	**31,683.12**

In case no due date of payment is specified, disclosure is from the date of the transaction.

Ageing of Trade payable as on March 31, 2023 is as under :

Particulars	Not due^	Outstanding for following periods from due date of payment				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
MESE	24.82	1,190.89	-	-	-	1,215.71
Others	1,817.46	23,762.40	676.92	3.94	-	26,260.72
Disputed dues - Others	-	-	-	-	-	-
Total	**1,842.28**	**24,953.29**	**676.92**	**3.94**	**-**	**27,476.43**

In case no due date of payment is specified, disclosure is from the date of the transaction.

* Refer note 52 for Micro and Small enterprises.

Includes payable to related parties Rs. 208.52 lakhs (March 31, 2023: Rs. 113.36 lakhs), refer note 46.

^ Includes unbilled dues.

Notes:

a) Includes acceptances Rs. 6,816.34 lakhs (March 31, 2023: Rs. 4,907.96 lakhs).

b) The Group exposure to currency and liquidity risks related to trade payables is disclosed in Note 47.

27. Other financial liabilities- Current

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
From related parties (Refer note 46)		
Interest accrued but not due on borrowings	**28.52**	32.77
Employee related payable	**1,340.24**	481.67
Dividend payable	**871.80**	-
From parties other than related parties		
Dividend payable	**868.04**	-
Creditors for capital purchases	**191.60**	387.84
Security deposits	**47.99**	476.42
Interest accrued but not due on borrowings	**43.07**	110.67
Unclaimed dividends*	**158.39**	210.89
Other financial liabilities		
- Deposits from contractors and others	**608.48**	600.38
- Employee related payable	**1,333.98**	1,954.71
- Others	**65.44**	63.25
Total	**5,557.55**	4,318.60

* There are no amounts due for payment to the Investor Education and Protection Fund under Section 125 of Companies Act, 2013 as at the year end.

28. Other current liabilities

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Advances from customers	**359.65**	487.23
Statutory dues payable	**933.88**	907.36
Other payables	**157.34**	154.98
Total	**1,450.87**	1,549.57

29. Provision- Current

	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Provision for employee benefits (Refer note 45)		
- Compensated absences	**705.66**	604.37
- Provident fund trust	**2.00**	89.04
Provision for contingencies* (Refer note 55)	**30,580.42**	26,312.70
Total	**31,288.08**	27,006.10

* During the year, the Holding Company has recognised a provision for contingencies of Rs. 4,267.72 lakhs (FY 2022-23: Rs. 10,579.45 lakhs). Consequently, the provision for contingencies of Rs. 26,312.70 lakhs as at March 31, 2023 (Rs. 15,733.25 lakhs as at March 31, 2022) has increased to Rs. 30,580.42 lakhs as on March 31, 2024.

30. Revenue from operations

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Sale of products@		
Export	**66,631.80**	48,434.05
Domestic	**1,35,794.71**	1,78,524.11
	2,02,426.51	2,26,958.16
Sale of services@		
Processing charges	**3,191.67**	5,733.65
	2,05,618.18	2,32,691.81
Other operating revenue		
Sale of scrap	**627.97**	971.94
Duty drawback, export benefits and other government assistance*	**1,548.70**	1,057.57
Sale of renewable energy certificates	**62.21**	197.27
Other operating income	**433.12**	173.88
Total	**2,08,290.18**	2,35,092.47

* Refer note 53

@ Refer note 40 for disaggregation of revenue

Contract balances	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Trade receivables (Refer note 13)	**27,587.24**	24,224.22
Contract liabilites		
Advances from customers (Refer note 28)	**359.65**	487.23

Reconciliation of revenue recognised with the contracted price is as follows:

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Contracted price	**2,06,191.24**	2,33,126.53
Less: Discounts	**573.06**	434.72
	2,05,618.18	2,32,691.81

The amount of Rs. 329.02 lakhs included in contract liabilities at March 31, 2023 has been recognised as revenue during the year ended March 31, 2024 (March 31, 2023: Rs. 488.75 lakhs)

Revenue from sale of goods is recognised at the point in time when control of products is transferred to the customer. Amounts disclosed as revenue are net of returns and allowances, trade discounts and rebates.

Invoices are generated at that point in time. Invoices are usually payable within 180 days.

31. Other income

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Interest income from financial assets measured at amortised cost		
- From deposits with banks	**223.87**	106.78
- Unwinding of discount on security deposits	**0.25**	0.36
- Interest subsidy*	**210.94**	290.81
Other non-operating income		
Provisions/liabilities no longer required, written back	**109.16**	342.20
Rental income	**50.01**	101.29
Profit on sale of property, plant and equipment (net)	**11.42**	16.38
Profit on sale of current investments	**137.62**	43.98
Net change in fair value of financial assets measured at fair value through profit or loss	**97.88**	66.29
Gain on foreign exchange fluctuation (net)	**1,259.74**	676.56
Miscellaneous income	**154.29**	106.08
Total	**2,255.18**	1,750.73

* Refer note 53

32. Cost of materials consumed

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Raw materials at the beginning of the year	**12,639.73**	9,494.16
Add: Purchases	**1,28,078.17**	1,33,734.87
	1,40,717.90	1,43,229.03
Less: Raw materials at the end of the year	**10,415.79**	12,639.73
Total	**1,30,302.11**	1,30,589.30
Particulars of materials consumed are as under:		
Sugarcane	**80,709.56**	82,556.37
Wood pulp	**14,172.99**	11,145.76
Others	**35,419.56**	36,887.17
Total	**1,30,302.11**	1,30,589.30

33. Purchase of traded goods

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Grain spirits	**5,713.42**	24,148.52
Total	**5,713.42**	24,148.52

34. Changes in inventories of finished goods and work-in-progress

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Opening stock		
Finished goods	**42,019.79**	44,745.27
Work-in-progress	**1,927.85**	2,568.58
Total	**43,947.64**	47,313.85

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Closing stock		
Finished goods	**55,252.30**	42,019.79
Work-in-progress	**1,848.08**	1,927.85
Total	**57,100.38**	43,947.64
	(13,152.74)	3,366.21
Changes in inventories of finished goods and work-in-progress		
Finished goods	**(13,232.51)**	2,725.48
Work-in-progress	**79.77**	640.73
Total	**(13,152.74)**	3,366.21

Particulars of stocks of finished goods and work-in-progress are as under :

Finished goods		
Sugar	**49,394.42**	33,913.56
Alcohol	**1,345.60**	827.24
Organic/ Fine chemicals	**643.96**	441.20
Industrial fibers	**3,868.32**	6,837.79
Total	**55,252.30**	42,019.79
Work-in-progress		
Sugar	**1,029.07**	640.74
Alcohol	**75.68**	194.49
Organic/ Fine chemicals	**188.16**	518.49
Industrial fibers	**555.17**	574.13
Total	**1,848.08**	1,927.85

35. Employee benefits expense

	For the year ended March 31, 2024 Rs. Lakhs	For the year ended March 31, 2023 Rs. Lakhs
Salaries, wages and bonus*#	**17,238.06**	16,274.10
Contribution to provident and other funds	**1,679.27**	1,882.42
Staff welfare expenses	**493.24**	481.00
Total	**19,410.57**	18,637.52

*Refer note 45

Includes payment to contractual labour

36. Finance costs

	For the year ended March 31, 2024 Rs. Lakhs	For the year ended March 31, 2023 Rs. Lakhs
Interest expense*#	**3,441.16**	3,283.07
Other borrowing costs	**135.38**	70.93
Total	**3,576.54**	3,354.00

* Refer note 53

includes Rs.143.62 lakhs interest on lease liabilities (March 31, 2023: Rs.148.59 lakhs)

37. Depreciation and amortisation expense

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Depreciation on property, plant and equipment (refer note 3)	**3,335.99**	3,062.83
Amortisation on intangible assets (refer note 4)	**83.73**	87.83
Amortisation on right-of-use assets (refer note 41)	**472.08**	439.21
Total	**3,891.80**	3,589.87

38. Other expenses

	For the year ended March 31, 2024 Rs. Lakhs	For the year ended March 31, 2023 Rs. Lakhs
Consumption of stores and spares	**10,528.34**	11,738.42
Power and fuel	**12,605.20**	11,818.00
Commission to selling agents	**3,909.95**	2,655.10
Freight and transport	**1,954.76**	2,221.81
Insurance	**294.31**	314.88
Rates and taxes	**842.94**	395.18
Repairs and maintenance		
- Buildings	**953.73**	826.74
- Plant and machinery	**6,255.44**	5,838.13
Corporate social responsibility (refer note below)	**197.00**	180.11
Rent (refer note 41)	**33.12**	64.68
Payments to auditors		
- As auditors	**52.68**	60.71
- Limited review of unaudited financial results	**37.50**	37.50
- Verification of statements and other records	**22.27**	4.07
- Out-of-pocket expenses	**6.89**	6.99
Provision for doubtful debts	**-**	10.10
Fulfillment and other operating expenses	**1,250.36**	2,012.56
Professional expenses	**1,070.37**	1,228.11
Miscellaneous expenses	**3,555.36**	4,688.88
Total	**43,570.22**	44,101.97

Note: Details of corporate social responsibility expenditure

a) Amount approved by Board of Directors required to be spent by the Group during the year	**183.41**	187.22
b) Amount spent during the year (in cash)		
(i) Construction/acquisition of any asset		
(ii) On purposes other than (i) above	**184.91**	175.13
c) Amount unspent*	**-**	12.09

d) Nature of CSR activities	For the year ended March 31, 2024 Rs. Lakhs	For the year ended March 31, 2023 Rs. Lakhs
(i) Promoting health care including preventive health and sanitation	**45.64**	22.93
(ii) Promoting education, including special education and employment	**56.23**	52.62
(iii) Empowering women and support to senior citizen	**10.47**	3.08
(iv) Environmental sustainability and conservation of natural resources and maintaining quality of soil, air and water	**18.27**	21.40
(v) Promotion and development of traditional arts and handicrafts	**38.00**	21.94
(vi) Measures for the benefit of armed forces veterans and war widows	**-**	10.00
(vii) Training to promote rural sports	**6.50**	5.90
(viii) Contribution to Prime Minister's National Relief Fund and PM CARES	**3.55**	18.75
(ix) Rural development project	**-**	13.01
(x) Amount spent in administrative overhead	**6.25**	5.50
	184.91	175.13

e) Details of related party transactions in relation to CSR expenditure (refer note 46)

* Spent subsequent to the year end

39. Income tax expense

A. Amounts recognised in statement of profit and loss

The major components of income tax expense for the years ended March 31, 2024 and March 31, 2023 are:

	For the year ended March 31, 2024 Rs. Lakhs	For the year ended March 31, 2023 Rs. Lakhs
Current tax expense	**5,628.89**	2,260.20
Tax relating to earlier years	**(265.00)**	-
Total tax expense	**5,363.89**	2,260.20
Deferred tax charge	**354.67**	819.33
Income tax expense reported in the statement of profit and loss	**5,718.56**	3,079.53

B. Amounts recognised in other comprehensive income

The major components of income tax expense for the years ended March 31, 2024 and March 31, 2023 are:

	For the year ended March 31, 2024 Rs. Lakhs	For the year ended March 31, 2023 Rs. Lakhs
Income tax		
Remeasurement of post employment benefit obligation	**(38.07)**	127.78
Income tax charges to other comprehensive income/(expense)	**(38.07)**	127.78

C. Reconciliation of effective tax rate

Reconciliation of tax expense and the accounting profit based on domestic tax rate for the year ended March 31, 2024 and March 31, 2023:

	For the year ended March 31, 2024 Rs. Lakhs		For the year ended March 31, 2023 Rs. Lakhs	
	Rate	Amount	Rate	Amount
Profit before tax including OCI				
-Holding company	**34.94%**	**17,293.13**	34.94%	8,664.70
-Subsidiary company	**26.00%**	**49.24**	26.00%	25.44
Tax based on Group's domestic tax rate	**34.92%**	**6,055.71**	34.92%	3,034.41
Tax effect of:				
Tax relating to earlier years	**(1.53)%**	**(265.00)**	-	-
Non-deductible expenses	**0.40%**	**68.84**	0.72%	62.94
Impact on Deferred Tax due to change in tax rate for future years	**(0.78)%**	**(136.00)**	(3.09)%	(268.86)
Others#	**0.19%**	**33.08**	1.42%	123.26
Effective tax rate	**33.19%**	**5,756.63**	33.97%	2,951.75

The Holding Company continues to pay income tax under the old tax regime and has not opted for lower tax rate pursuant to Taxation Law (Amendment) Ordinance, 2019 (Section 115 BAA of The Income Tax Act, 1961) considering the accumulated MAT credit and other benefits under The Income Tax Act, 1961. The Holding company plans to opt for lower tax regime once these benefits are utilised, which is expected by financial year ending March 31, 2025. Accordingly, deferred tax liability on temporary differences which are expected to reverse after the financial year ending March 31, 2025 have been re-measured considering the revised rate.

D. Deferred tax assets/ liabilities

(Rs. Lakhs)

Particulars	Deferred tax assets		Deferred tax liabilities		Net deferred tax assets/ (liabilities)	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Accrued expenses deductible on payment	**166.91**	261.95	**-**	-	**166.91**	261.95
Provisions for gratuity and compensated absences	**420.21**	419.17	**-**	-	**420.21**	419.17
Loss allowance for trade receivables	**3.53**	12.22	**-**	-	**3.53**	12.22
Loss allowance for other assets	**7.48**	7.48	**-**	-	**7.48**	7.48
Difference in written down values as per books and as per tax laws of property, plant and equipment/ intangible assets	**-**	-	**8,384.11**	8,034.11	**(8,384.11)**	(8,034.11)
Others	**210.96**	144.49	**307.20**	300.68	**(96.24)**	(156.19)
	809.09	845.31	**8,691.31**	8,334.79	**(7,882.22)**	(7,489.48)
MAT credit entitlement **	**9.15**	1,911.34	**-**	-	**9.15**	1,911.34
Net Deferred tax assets / (liabilities)	**818.24**	2,756.65	**8,691.31**	8,334.79	**(7,873.07)**	(5,578.14)

** MAT credit entitlement in the Statement of profit and loss forms part of deferred tax charge for the year.

E. Movement in temporary differences

For the year ended March 31, 2024

(Rs.Lakhs)

Particulars	Opening balance	Recognised in statement of Profit & Loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets				
Accrued expenses deductible on payment	**261.95**	**(95.04)**	**-**	**166.91**
Provisions for gratuity, compensated absences and other employee benefits	**419.17**	**39.11**	**(38.07)**	**420.21**
Loss allowance for trade receivables	**12.22**	**(8.69)**	**-**	**3.53**
Loss allowance for other assets	**7.48**	**-**	**-**	**7.48**
Others	**144.49**	**66.47**	**-**	**210.96**
	845.31	**1.85**	**(38.07)**	**809.09**
Deferred tax liabilities				
Difference in written down values as per books and as per tax laws of property, plant and equipment/ intangible assets	**(8,034.11)**	**(350.00)**	**-**	**(8,384.11)**
Others	**(300.68)**	**(6.52)**	**-**	**(307.20)**
	(8,334.79)	**(356.52)**	**-**	**(8,691.31)**
Total	**(7,489.48)**	**(354.67)**	**(38.07)**	**(7,882.22)**

For the year ended March 31, 2023 **(Rs.Lakhs)**

Particulars	Opening balance	Recognised in statement of Profit & Loss	Recognised in other comprehensive income	Closing balance
Deferred tax assets				
Accrued expenses deductible on payment	307.15	(45.20)	-	261.95
Provisions for gratuity, compensated absences and other employee benefits	311.42	(20.03)	127.78	419.17
Loss allowance for trade receivables	8.69	3.53	-	12.22
Loss allowance for other assets	8.38	(0.90)	-	7.48
Others	150.35	(5.86)	-	144.49
	785.99	(68.46)	127.78	845.31
Deferred tax liabilities				
Difference in written down values as per books and as per tax laws of property, plant and equipment/ intangible assets	(7,360.11)	(674.00)	-	(8,034.11)
Others	(223.79)	(76.89)	-	(300.68)
	(7,583.90)	(750.89)	-	(8,334.79)
Total	(6,797.91)	(819.35)	127.78	(7,489.48)

F. Availability of MAT credit entitlement is upto: **(Rs.Lakhs)**

	As at March 31, 2024	As at March 31, 2023
Financial year	**Amount**	**Amount**
2029-30	**9.15**	18.00
2030-31	**-**	273.41
2032-33	**-**	996.93
2033-34	**-**	623.00
	9.15	1,911.34

40. Operating segments

A. Basis for segmentation

In accordance with Ind AS 108 'Segment Reporting' as specified in section 133 of the Companies Act, 2013, the Group has identified three business segments viz. 'Sugar', 'Industrial fibres and related products', and 'Chemicals'. The above segments have been identified and reported taking into account the differing risks and returns, and the current internal financial reporting systems. For each of the segments, the Chief Operating Decision Maker (CODM) reviews internal management reports on at least a quarterly basis. The CODM monitors the operating results separately for the purpose of making decisions about resource allocation and performance measurement (Refer Note 2A (p)).

Segment revenue, results and capital employed include the respective amounts identifiable to each of the segments. Other unallocable expenditure includes expenses incurred on common services provided to the segments, which are not directly identifiable.

In addition to the material accounting policies applicable to the business segments as set out in note 2A(p) above, the accounting policies in relation to segment accounting are as under:

a) Segment revenue and expenses

Segment revenue and expenses are, generally, directly attributable to the segments. Joint revenue and expenses of segments are allocated amongst them on a reasonable basis.

b) Segment assets and liabilities

Segment assets include all operating assets used by a segment and consist principally of operating, trade receivables, inventories and property plant and equipment and intangible assets, net of allowances and provisions, which are reported as direct offsets in the balance sheet. Segment liabilities include all operating liabilities and consist principally of creditors and accrued liabilities and do not include deferred income taxes and borrowings. While most of the assets / liabilities can be directly attributed to individual segments, the carrying amount of certain assets / liabilities pertaining to two or more segments are allocated to the segments on a reasonable basis.

The following summary describes the operations in each of the Group's reportable segments:

Sugar	Comprising sugar, power and alcohol
Industrial fibres and related products	Comprising rayon, synthetic yarn, cord, fabric, etc.
Chemicals	Comprising organics and fine chemicals

B. Information about reportable segments

(Rs. Lakhs)

Particulars	Reportable segments						Elimination		Total	
	Sugar		Industrial fibres and related products		Chemicals					
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Segment revenue										
- External revenues	**98,009.26**	1,42,061.35	**66,956.34**	45,122.94	**40,652.58**	45,507.52	**-**	-	**2,05,618.18**	2,32,691.81
- Other operating revenue	**287.44**	831.21	**1,755.14**	1,269.48	**629.42**	299.97	**-**	-	**2,672.00**	2,400.66
Subtotal	**98,296.70**	1,42,892.56	**68,711.48**	46,392.42	**41,282.00**	45,807.49	**-**	-	**2,08,290.18**	2,35,092.47
- Other income	**286.14**	234.07	**1,211.61**	798.18	**248.15**	193.54	**-**	-	**1,745.90**	1,225.79
- Unallocable income	**-**	-	**-**	-	**-**	-	**-**	-	**509.28**	524.94
Total segment revenue	**98,582.84**	1,43,126.63	**69,923.09**	47,190.60	**41,530.15**	46,001.03	**-**	-	**2,10,545.36**	2,36,843.20
Segment results	**3,985.26**	4,847.69	**16,910.06**	6,630.08	**4,766.02**	4,545.06	**-**	-	**25,661.34**	16,022.83
Unallocated expenses (net of unallocated income)									**4,851.36**	3,613.02
Operating profit									**20,809.98**	12,409.81
Finance costs									**3,576.54**	3,354.00
Profit before share of profit of equity accounted investees and tax									**17,233.44**	9,055.81
Share of profit/(loss) of equity accounted investees (net of tax)									**25.36**	39.73
Profit before tax									**17,258.80**	9,095.54
Current tax expense									**5,363.89**	2,260.20
Deferred tax charge									**354.67**	819.33
Net profit after tax									**11,540.24**	6,016.01
Capital expenditure during the year	**1,567.65**	1,710.07	**953.54**	1,320.33	**809.36**	1,765.46	**-**	-	**3,330.55**	4,795.86
Unallocated capital expenditure during the year									**37.06**	439.89
Total capital expenditure during the year									**3,367.61**	5,235.75
Depreciation	**1,479.92**	1,358.80	**1,189.36**	1,051.38	**748.17**	628.10	**-**	-	**3,417.45**	3,038.28
Unallocated depreciation during the year									**474.35**	551.59
Total depreciation during the year									**3,891.80**	3,589.87
Non cash expense other than depreciation	**-**	2.67	**24.82**	0.34	**-**	10.80	**-**	-	**24.82**	13.81
Unallocated non cash expense other than depreciation during the year									**-**	0.31
Total non cash expense other than depreciation during the year									**24.82**	14.12

(Rs. Lakhs)

Particulars	Reportable segments						Elimination		Total	
	Sugar		Industrial fibres and related products		Chemicals					
	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023
Segment assets	**1,26,415.86**	1,09,690.22	**50,599.22**	48,042.55	**22,739.05**	23,512.22	**-**	-	**1,99,754.13**	1,81,244.99
Unallocated assets	**-**	-	**-**	-	**-**	-	**-**	-	**20,140.69**	13,861.98
Total assets	**1,26,415.86**	1,09,690.22	**50,599.22**	48,042.55	**22,739.05**	23,512.22	**-**	-	**2,19,894.82**	1,95,106.97
Segment liabilities	**53,649.18**	45,512.24	**13,949.10**	13,424.34	**5,026.91**	6,346.97	**-**	-	**72,625.19**	65,283.55
Share capital and reserves									**81,538.00**	71,666.74
Unallocated liabilities										
-Borrowings	**-**	-	**-**	-	**-**	-	**-**	-	**51,359.12**	49,672.80
-Others	**-**	-	**-**	-	**-**	-	**-**	-	**14,372.51**	8,483.88
Total liabilities	**53,649.18**	45,512.24	**13,949.10**	13,424.34	**5,026.91**	6,346.97	**-**	-	**2,19,894.82**	1,95,106.97
Capital employed	**72,766.69**	64,177.98	**36,650.12**	34,618.21	**17,712.14**	17,165.25	**-**	-	**1,27,128.95**	1,15,961.44

C. Reconciliations of information on reportable segments to Ind AS measures

i. Total income

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Total revenue for reportable segments	**2,10,036.08**	2,36,318.26
Unallocated amounts:		
Unallocable income	**509.28**	524.94
Inter-segment elimination	**-**	-
Total income	**2,10,545.36**	2,36,843.20

ii. Profit before tax

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
Total profit before tax for reportable segments	**25,661.34**	16,022.83
Unallocated cost:		
Finance costs	**(3,576.54)**	(3,354.00)
Other unallocated amounts	**(4,851.36)**	(3,613.02)
Profit before tax as per statement of profit and loss	**17,233.44**	9,055.81

iii. Assets

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
Total assets for reportable segments	**1,99,754.13**	1,81,244.99
Unallocated amounts:		
Investments	**5,096.18**	4,547.25
Corporate assets	**15,044.51**	9,314.73
Total assets as per the balance sheet	**2,19,894.82**	1,95,106.97

iv. **Liabilities**

(Rs.Lakhs)

	As at March 31, 2024 Rs. lakhs	As at March 31, 2023 Rs. lakhs
Total liabilities for reportable segments	**72,625.19**	65,283.55
Unallocated amounts:		
Share capital	**1,739.84**	1,739.84
Reserves and Surplus	**79,798.16**	69,926.90
Unallocated corporate liabilities	**65,731.63**	58,156.68
Total liabilities as per the balance sheet	**2,19,894.82**	1,95,106.97

D. Geographical information

The geographical information analyses the Group's revenues and assets by the country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers and segment assets.

i. **Revenue from operations**

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
(a) India	**1,41,658.32**	1,86,658.42
(b) Other countries		
Europe	**25,795.48**	17,784.26
China	**19,902.73**	17,841.97
Rest of the World	**20,933.65**	12,807.82
Total (b)	**66,631.86**	48,434.05
(c) Inter-segment elimination	**-**	-
Total (a+b+c)	**2,08,290.18**	2,35,092.47

	For the year ended March 31, 2024 Rs. lakhs	For the year ended March 31, 2023 Rs. lakhs
ii. **Assets**		
Non-current segment assets		
(a) India	**69,623.36**	71,038.01
(b) Outside India	**-**	-
Total (a+b)	**69,623.36**	71,038.01

Non-current segment assets include property, plant and equipments, right-of-use assets, capital work in progress, intangible assets and other non current assets.

E. **Major customer**

Revenue from one customer of the Group's Sugar segment represented approximately Rs. Nil (March 31, 2023: Rs.37,380.49 lakhs) of the Group's total revenues.

41. Leases

The details of the right-of-use assets held by the Holding Company are as follows:

(Rs.Lakhs)

Particulars	Opening as on April 1, 2023	Additions during the year	Deletions during the year	Depreciation during the year	Net carrying amount as at March 31, 2024
Building	1,313.15	644.46	-	472.08	1,485.53
	1,313.15	644.46	-	472.08	1,485.53

Particulars	Opening as on April 1, 2022	Additions during the year	Deletions during the year	Depreciation during the year	Net carrying amount as at March 31, 2023
Building	1,549.85	348.71	146.20	439.21	1,313.15
	1,549.85	348.71	146.20	439.21	1,313.15

The Group incurred Rs. 33.12 lakhs (March 31, 2023: Rs.64.68 lakhs) towards expenses relating to leases of low-value assets.

The weighted average incremental borrowing rate of 9% has been applied to lease liabilities recognised in the balance sheet at the date of initial application.

The reconciliation of lease liabilities is as follows:

Particulars	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Opening balance	**1,532.90**	1,777.66
Additions	**642.77**	350.87
Deletions	**-**	(146.20)
Amount recognised in statement of profit and loss as interest expense	**143.62**	148.59
Payment of lease liability	**(651.89)**	(598.01)
Closing balance	**1,667.40**	1,532.90

The following table presents a maturity analysis of expected cash flows for lease liabilities:

Particulars	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Within one year	**531.21**	436.22
More than one but upto five years	**1,004.53**	900.56
Beyond five years	**131.66**	196.12
Closing balance	**1,667.40**	1,532.90

42. Contingent liabilities and commitments (to the extent not provided for)

A. Contingent liabilities*

Particulars	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Income tax matters	**3,089.00**	4,797.75
Excise and Service tax matters	**385.74**	28.52
Claims against the Group not acknowledged as debts (excluding claims by employees, where amounts are not ascertainable)	**991.73**	968.08
Sales tax matters	**15.46**	15.46
Sugarcane related matters	**4,545.26**	4,545.26
Share in contingent liabilities of associate company	**1.36**	182.21
Total	**9,028.55**	10,537.29

*Matters are subject to legal proceedings in the ordinary course of business. The legal proceedings, when ultimately concluded, are not likely to, in the opinion of the management, have a material effect on the results of the operations or financial position of the Group.

B. Commitments

a. **Capital commitments:** Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) aggregating to Rs. 250.92 lakhs (March 31, 2023: Rs. 99.42 lakhs) relating to Property, plant and equipment.

b. **Other commitments:** The Group has other commitments, for purchase / sales orders which are issued after considering requirements per operating cycle for purchase / sale of goods and services, employee benefits including union agreement in the normal course of business. The Group does not have any long term commitments / contracts including, derivative contracts, with any material foreseeable losses.

43. A petition challenging the Preferential Issue of equity warrants by the Holding Company filed by a shareholder before the Hon'ble Company Law Board (now National Company Law Tribunal), pending since November 2007, had been dismissed as withdrawn in the hearing held on March 07, 2023.

44. Earning Per Share

Basic and diluted earnings per share

Basic and diluted earnings per share are calculated by dividing the profit during the year attributable to equity shareholders of the Group, by the weighted number of equity shares outstanding during the year.

Particulars	Unit	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit after tax attributable to equity shareholders	Rs. Lakhs	**11,540.24**	6,016.01
Weighted average number of equity shares outstanding during the year	Numbers	**8,69,92,185**	8,69,92,185
Nominal value per share	Rs.	**2**	2
Basic and diluted earnings per share	Rs.	**13.27**	6.92

45. Employee benefits

A. Defined contribution plans

Rs. 201.03 lakhs (March 31, 2023: Rs. 180.88 lakhs) for provident fund contributions and Rs. 254.02 lakhs (March 31, 2023: Rs. 247.35 lakhs) for superannuation and national pension scheme fund contributions have been charged to the Statement of Profit and Loss. The contributions towards these schemes are at the rates specified in the rules of the schemes.

B. Defined benefit plans

a) Liabilities for gratuity, privilege leaves and medical leaves are determined on actuarial basis. Gratuity liability is provided to the extent not covered by the funds available in the gratuity fund.

Gratuity:

Gratuity scheme provides for a lump sum payment to vested employees at retirement, death, while in employment, or on termination of employment. Vesting occurs upon completion of five years of service, except death while in employment.

The following table sets out the status of gratuity obligation

Particulars	As at March 31, 2024 Rs. Lakhs	As at March 31, 2023 Rs. Lakhs
Non current	**-**	-
Current	**(505.28)**	(308.76)
Net defined benefit asset- Gratuity	**(505.28)**	(308.76)

(i) Reconciliation of the gratuity benefit liability

The following table shows a reconciliation between opening and closing balances of gratuity liability and its components:

Particulars	For the year ended March 31, 2024 Rs. Lakhs	For the year ended March 31, 2023 Rs. Lakhs
Balance at the beginning of the year	**4,460.48**	4,114.35
Current service cost	**303.41**	275.83
Interest cost	**329.18**	297.05
Actuarial loss / (gain) arising from changes in financial assumptions	**45.44**	(44.85)
Actuarial loss arising from changes in experience adjustments	**166.32**	195.89
Benefits paid	**(393.32)**	(377.79)
Balance at the end of the year	**4,911.51**	4,460.48

(ii) Reconciliation of the plan assets

The following table shows a reconciliation between opening and closing balances of plan assets and its components:

Particulars	**For the year ended March 31, 2024 Rs. Lakhs**	For the year ended March 31, 2023 Rs. Lakhs
Balance at the beginning of the year	**4,769.24**	4,617.53
Expected return on plan assets	**351.97**	333.38
Contribution by the Holding Company	**16.50**	15.34
Benefits paid	**(38.27)**	(25.49)
Actuarial gains / (losses) recognised in other comprehensive income	**317.35**	(171.52)
Balance at the end of the year	**5,416.79**	**4,769.24**

iii) Expense recognized in profit or loss

Particulars	**For the year ended March 31, 2024 Rs. Lakhs**	For the year ended March 31, 2023 Rs. Lakhs
Current service cost	**303.41**	275.83
Interest cost	**329.18**	297.05
Expected return on plan assets	**(351.97)**	(333.38)
Actuarial (gains) / losses recognised in other comprehensive income	**(105.59)**	322.56
	175.03	562.06

iv) Constitution of plan assets

Particulars	**For the year ended March 31, 2024 Rs. Lakhs**	For the year ended March 31, 2023 Rs. Lakhs
Funded with Life Insurance Corporation of India*	**5,416.79**	4,769.24

*The plan assets are maintained with Life Insurance Corporation of India Gratuity Scheme. The details of investments maintained by Life Insurance Corporation are not made available and have, therefore, not been disclosed.

v) Remeasurements recognized in other comprehensive income

Particulars	**For the year ended March 31, 2024 Rs. Lakhs**	For the year ended March 31, 2023 Rs. Lakhs
Actuarial gain / (loss) on plan assets	**317.35**	(171.52)
Actuarial (loss) / gain arising from changes in financials assumptions	**(45.44)**	44.85
Actuarial (loss) arising from changes in experience adjustments	**(166.32)**	(195.89)
	105.59	(322.56)

vi) Actuarial assumptions

Principal actuarial assumptions (expressed as weighted averages):

Particulars	**For the year ended March 31, 2024 Rs. Lakhs**	For the year ended March 31, 2023 Rs. Lakhs
Financial assumptions		
Discount rate	**7.23%**	7.38%
Future salary growth	**5.00%**	5.00%
Rate of return on plan assets	**7.38%**	7.22%
Expected average remaining working lives of employees (years)	**16.09**	17.33
Demographic assumptions		
Mortality rate	**IALM (2012-14)**	IALM (2012-14)
Withdrawal rate	**Up to 30 years- 3%**	Up to 30 years- 3%
	31 to 44 years- 2%	31 to 44 years- 2%
	Above 44 years- 1%	Above 44 years- 1%
Retirement age	**58 years and 60 years**	58 years and 60 years

The weighted average duration of the defined benefit obligations as on March 31, 2024 is 13.35 years (March 31, 2023: 13.76 years)

Expected contributions to post-employment benefit plans for the financial year 2024-25 are Rs. 230.42 lakhs (2023-24: Rs. 221.81 lakhs).

The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. Actuarial valuations involve making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rate. Due to the complexities involved, the valuation is highly sensitive to the changes in the assumptions. All assumptions are reviewed at each reporting date. The present value of the defined benefit obligation and the related current service cost and planned service cost were measured using the projected unit cost method.

The Company has established an income tax approved irrevocable trust fund to which it regularly contributes to finance the liabilities of the gratuity plan. The fund's investments are managed by certain insurance companies as per the mandate provided to them by the trustees and the asset allocation is within the permissible limits prescribed in the insurance regulations.

vii) Sensitivity analysis

The significant actuarial assumptions for the determination of defined benefit obligations are discount rate and expected salary increase.

In case of changes in significant assumptions, sensitivity of gross benefit obligation would be as under:

(Rs.Lakhs)

Particulars	**For the year ended March 31, 2024**		For the year ended March 31, 2023	
	Increase	**Decrease**	Increase	Decrease
Discount rate with variation of 0.50%	**(158.22)**	**169.62**	(141.56)	151.47
Future salary growth with variation of 0.50%	**171.45**	**(161.90)**	153.40	(144.57)

The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

Sensitivities due to mortality and withdrawls are insignificant & hence not considered in sensitivity anaylsis disclosed.

viii) Maturity profile

The table below shows the expected cash flow profile of the benefits to be paid to the current members of the plan, based on past service as at the valuation date:

Particulars	**As at March 31, 2024 Rs. Lakhs**	As at March 31, 2023 Rs. Lakhs
Within 1 year	**1,039.97**	916.51
1 year to 5 years	**1,655.19**	1,466.82
More than 5 years	**2,216.35**	2,077.15

C. Compensated absences:

The obligation of compensated absence in respect of the employees of the Holding Company as at March 31, 2024 works out to Rs. 1,447.55 lakhs (31 March 2023: Rs. 1,269.86 lakhs)

D. Provident fund:

All employees are entitled to Provident Fund benefits as per the law. For certain category of employees, the Company administers the benefits through a recognised Provident Fund Trust. The Holding Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. For other employees contributions are made to the Regional Provident Fund Commissioners. The Government mandates the annual yield to be provided to the employees on their corpus. This plan is considered as a Defined Contribution Plan. For the first category of employees (covered by the Trust), the Holding Company has an obligation to make good the shortfall, if any, between the yield on the investments of the trust and the yield mandated by the Government and these are considered as Defined Benefit Plans and are accounted for on the basis of an actuarial valuation.

The following table sets out the status of Provident Fund obligation

Particulars	**As at March 31, 2024 Rs. Lakhs**	As at March 31, 2023 Rs. Lakhs
Net Provident Fund liability	**2.00**	89.04

(i) Reconciliation of the provident fund liability

The following table shows a reconciliation between opening and closing balances of provident fund liability and its components:

Particulars	**For the year ended March 31, 2024 Rs. Lakhs**	For the year ended March 31, 2023 Rs. Lakhs
Balance at the beginning of the year	**15,839.86**	14,263.70
Current service cost	**602.59**	506.76
Contribution by plan participants / employees	**1,258.51**	1,119.47
Interest cost	**1,181.38**	1,154.85
Actuarial loss / (gain) arising from changes in financials assumptions	**2.06**	(0.99)
Actuarial loss / (gain) arising from changes in experience adjustments	**96.88**	(7.97)
Benefits paid	**(1,798.17)**	(1,195.96)
Balance at the end of the year	**17,183.11**	15,839.86

(ii) Reconciliation of the plan assets

The following table shows a reconciliation between opening and closing balances of plan assets and its components:

Particulars	**For the year ended March 31, 2024 Rs. Lakhs**	For the year ended March 31, 2023 Rs. Lakhs
Balance at the beginning of the year	**15,750.81**	14,178.20
Expected return on plan assets	**1,181.38**	1,154.85
Contribution by the Holding company	**602.59**	506.76
Contribution by plan participants / employees	**1,258.51**	1,119.47
Benefits paid	**(1,798.17)**	(1,195.96)
Actuarial gain / (loss) recognised in other comprehensive income	**102.29**	(52.07)
Shortfall funded by the Holding company	**83.70**	39.57
Balance at the end of the year	**17,181.11**	15,750.81

The plan assets constitute investments in Central / State Government Securities, Corporate / PSU / Bank Bonds, Mutual Funds and Special Deposit Schemes.

iii) Expense recognized in profit or loss

Particulars	**For the year ended March 31, 2024 Rs. Lakhs**	For the year ended March 31, 2023 Rs. Lakhs
Current service cost	**602.59**	506.76
Net cost	**602.59**	506.76

iv) Remeasurements recognized in other comprehensive income

Particulars	**For the year ended March 31, 2024 Rs. Lakhs**	For the year ended March 31, 2023 Rs. Lakhs
Gain / (loss) recognised in other comprehensive income	**3.34**	(43.11)

v) Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	**As at March 31, 2024 Rs. Lakhs**	As at March 31, 2023 Rs. Lakhs
Financial assumptions		
Discount rate	**7.23%**	7.38%
Expected statutory interest rate	**8.25%**	8.15%
Demographic assumptions		
Mortality rate	**IALM (2012-14)**	IALM (2012-14)
Withdrawal rate	**Up to 30 years- 3%**	Up to 30 years- 3%
	31 to 44 years- 2%	31 to 44 years- 2%
	Above 44 years- 1%	Above 44 years- 1%
Retirement age	**58 years and 60 years**	58 years and 60 years

The weighted average duration of the defined benefit obligation as on March 31, 2024 is 14.65 years

Expected contribution to provident fund benefit plans for the financial year 2024-25 are Rs. 669.14 lakhs

The cost of the defined benefit plans and other long term benefits are determined using actuarial valuations. Actuarial valuations involve making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rate. Due to the complexities involved, the valuation is highly sensitive to the changes in the assumptions. All assumptions are reviewed at each reporting date. The present value of the defined benefit obligation and the related current service cost and planned service cost were measured using the projected unit cost method.

vi) Sensitivity analysis

The significant actuarial assumption for the determination of defined benefit obligations is the discount rate.

Sensitivity of gross benefit obligation as mentioned above, in case of change in significant assumptions would be as under:

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50%)	**(4.05)**	**4.25**	(3.64)	3.81

The sensitivity analysis below has been determined based on reasonably possible changes of the respective assumptions occurring at the end of reporting period, while holding all other assumptions constant.

Sensitivities due to mortality and withdrawals are insignificant and hence not considered in sensitivity analysis disclosed.

E. Risk exposure

These defined benefit plans typically expose the Holding company to actuarial risks as under:

a) Investment Risk

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

b) Interest rate risk

A decrease in bond interest rate will increase the plan liability. However, this shall be partially off-set by increase in return as per debt investments.

c) Longevity risk

The present value of the defined plan liability is calculated by reference to the best estimate of the mortality of plan participants. An increase in the life expectancy will increase the plan's liability.

d) Salary risk

Higher than expected increase in salary will increase the defined benefit obligation.

46. Related party disclosures:

In accordance with the requirements of Ind AS 24 on Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are:

A. Names of related parties and nature of related party relationships:

Key management personnel

Mr. S. B. Mathur, Chairman

Mr. Alok B. Shriram, Senior Managing Director

Mr. Madhav B. Shriram, Managing Director

Ms. Urvashi Tilakdhar, Director

Mr. Vineet Manaktala, Director & CFO

Mr. P. R. Khanna, Independent Director (upto March 31, 2024)

Mr. Ravinder Narain, Independent Director (upto March 31, 2024)

Mr. S. C. Kumar, Independent Director (upto March 31, 2024)

Smt. V. Kavitha Dutt, Independent Director

Mr. Sanjay C. Kirloskar, Independent Director

Mr. Y. D. Gupta, Vice President & Company Secretary

Ms. Mini Ipe , LIC Nominee Director (w.e.f. January 03, 2024)

Mr. Manoj Kumar, Non-executive Director

Mr. Kamal Kumar, LIC Nominee Director (w.e.f. March 15, 2024)

Relatives/HUF of key management personnel

Mr. Akshay Dhar

Ms. Kanika Shriram

Mr. Rudra Shriram

Mr. Rohan Shriram

Mr. Uday Shriram

Ms. Umika Shriram

Ms. Kislaya Rakesh

Ms. Anita Gupta

Ms. Kiran Khanna

Mr. P. R. Khanna (HUF)

M/s. Lala Bansi Dhar & Sons- HUF

Ms. Suman Bansi Dhar

Ms. Divya Shriram

Ms. Karuna Shriram

Ms. Aditi Dhar

Ms. Amita Manaktala

Ms. Astha Manaktala

Mr. Mohit Manaktala

Ms. Ruby Arora

Trusts

Employees' Provident Fund Trust, DCM Shriram Industries Limited

Daurala Organics Limited Employees' Provident Fund Trust

DCM Shriram Industries Limited Superannuation Trust

DCM Shriram Industries Limited Employees' Gratuity Fund Trust

Others (Enterprises over which key management personnel or their relatives are able to exercise significant influence)

Bantam Enterprises Private Limited (upto March 07, 2024)

H.R. Travels Private Limited (upto March 07, 2024)

DCM Containers & Engineering Private Limited (Formerly Hindustan Vaccum Glass Private Limited)

Kirloskar Corrocoat Private Limited

Hi-Vac Wares Private Limited (upto March 07, 2024)

Lily Commercial Private Limited

Fives Cail – KCP Limited

Versa Trading Limited

Absolut Info Systems Private Limited

Brienworks Services Private Limited

B. Transactions with related parties:

Particulars	**For the year ended March 31, 2024 Rs. Lakhs**	For the year ended March 31, 2023 Rs. Lakhs
Rent expenses		
Relatives/HUF of key management personnel	**240.00**	195.97
Bantam Enterprises Private Limited	**-**	22.94
H.R. Travels Private Limited	**-**	6.89
DCM Containers & Engineering Private Limited	**16.37**	0.90
Total	**256.37**	226.70
Interest expense		
Key management personnel	**12.17**	13.59
Relatives of Key management personnel	**33.20**	32.16
Independent Directors and their relatives/HUF	**3.75**	3.67
Total	**49.12**	49.42
Other expenses		
DCM Containers & Engineering Private Limited	**141.00**	5.46
Kirloskar Corrocoat Private Limited	**-**	8.68
Fives Cail – KCP Limited	**-**	0.30
Total	**141.00**	14.44
Purchase of property, plant and equipment		
Fives Cail – KCP Limited	**-**	0.25
Absolut Info Systems Pvt Ltd	**-**	0.25
Total	**-**	0.50
Purchase of stores		
Fives Cail – KCP Limited	**0.19**	0.77
Kirloskar Corrocoat Private Limited	**-**	4.53
Total	**0.19**	5.30
Capital Advances		
DCM Containers & Engineering Private Limited	**-**	24.00
Equity dividend paid		
Key management personnel	**-**	4.96
Relatives/HUF of key management personnel	**0.03**	9.53
Bantam Enterprises Private Limited	**-**	101.77
Lily Commercial Private Limited	**871.77**	236.28
H.R. Travels Private Limited	**-**	48.20
Hi-Vac Wares Private Limited	**-**	59.49
Versa Trading Limited	**-**	193.53
	871.80	653.76

Particulars		For the year ended March 31, 2024 Rs. Lakhs	For the year ended March 31, 2023 Rs. Lakhs
Security deposits paid			
Relatives/HUF of key management personnel		**-**	5.31
Security deposits received back			
Bantam Enterprises Private Limited		**-**	5.31
Salaries and bonus including contributions made to provident fund			
Key management personnel			
Mr. Alok B.Shriram		**577.30**	289.86
Mr. Madhav B.Shriram		**577.30**	289.86
Ms. Urvashi Tilakdhar		**577.30**	289.86
Mr. Vineet Manaktala		**86.02**	73.14
Mr. Y. D. Gupta		**56.34**	48.96
Relatives of key management personnel		**201.56**	197.48
Total	**A**	**2,075.82**	1,189.16
Post-employment defined benefit plan			
Gratuity			
Key management personnel			
Mr. Alok B.Shriram		**2.98**	3.86
Mr. Madhav B.Shriram		**0.88**	1.74
Ms. Urvashi Tilakdhar		**3.54**	3.20
Mr. Vineet Manaktala		**5.64**	7.37
Mr. Y.D. Gupta		**7.14**	6.34
Relatives of key management personnel		**4.96**	5.57
Total	**B**	**25.14**	28.08
Other long term defined benefit plan			
Compensated absences			
Key management personnel			
Mr. Alok B.Shriram		**4.63**	5.66
Mr. Madhav B.Shriram		**3.32**	6.02
Ms. Urvashi Tilakdhar		**7.18**	6.05
Mr. Vineet Manaktala		**2.24**	2.62
Mr. Y.D. Gupta		**1.41**	1.67
Relatives of key management personnel		**3.82**	0.05
Total	**C**	**22.60**	22.07
Commission to Independent Directors			
Mr. P. R. Khanna		**26.71**	13.41
Mr. S. B. Mathur		**28.34**	14.24
Mr. Ravinder Narain		**23.44**	11.77
Mr. S. C. Kumar		**26.71**	13.41
Ms. Kavitha Dutt Chitturi		**25.07**	12.59
Mr. Sanjay C. Kirloskar		**21.81**	10.95
Ms. Mini Ipe		**18.55**	9.30
Mr. Manoj Kumar		**21.81**	10.95
Total	**D**	**192.44**	96.62
Total compensation paid to key management personnel	**E= A+B+C+D**	**2,316.00**	1,335.93
Post-employment defined benefit plan contribution paid to provident fund trusts		**1,861.10**	1,626.23

Particulars	**For the year ended March 31, 2024 Rs. Lakhs**	For the year ended March 31, 2023 Rs. Lakhs
Gratuity		
DCM Shriram Industries Limited Employees' Gratuity Fund Trust	**16.50**	15.34
Other long term defined contribution plan superannuation		
DCM Shriram Industries Limited Superannuation Trust	**175.24**	173.93
Security deposit receivable		
Relatives/HUF of key management personnel	**35.14**	30.98
Capital advances		
DCM Containers & Engineering Private Limited	**-**	24.00
Capital creditors		
DCM Containers & Engineering Private Limited	**-**	2.28
Trade payables		
DCM Containers & Engineering Private Limited	**16.08**	-
Dividend payable		
Relatives/HUF of key management personnel	**0.03**	-
Lily Commercial Private Limited	**871.77**	-
Payables		
Public deposits including interest accrued		
Key management personnel	**129.06**	118.70
Relatives/HUF of key management personnel	**327.06**	341.89
Independent Directors & their relatives	**37.50**	37.50
Total	**493.62**	498.09
Provisions		
Daurala Organics Limited Employees' Provident Fund Trust	**2.00**	89.04
Remuneration / Commission payable		
Remuneration to key management personnel	**-**	9.72
Commission to Independent Directors	**192.44**	96.62
Commission to key management personnel	**1,340.24**	481.67
Sitting fees to Indepdendent Directors	**-**	7.02

Note:

Transactions with the related parties are made on normal commercial terms and conditions and at market rates, to be settled in cash.

47. Financial instruments – Fair values and risk management

a. Financial instruments – by category and fair values hierarchy

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

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 following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

i. As on March 31, 2023

(Rs.Lakhs)

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
(i) Investments	-		1,711.90	1,711.90			1,711.90
(ii) Loans*	-	-	62.82	62.82	-	-	-
(iii) Other financial assets*	-	-	540.64	540.64	-	-	-
Current							
(i) Investments*							
Debt instruments (Mutual funds)	2,835.35	-	-	2,835.35	2,835.35	-	-
(ii) Trade receivables*	-	-	24,224.22	24,224.22	-	-	-
(iii) Cash and cash equivalents*	-	-	784.24	784.24	-	-	-
(iv) Other bank balances *	-	-	1,728.35	1,728.35	-	-	-
(v) Loans*	-	-	19.18	19.18	-	-	-
(vi) Other financial assets*	16.84	-	26,812.65	26,829.49	16.84	-	-
Total	2,852.19	-	54,172.10	57,024.29			
Financial liabilities							
Non-current							
(i) Borrowings (including current maturities)#	-	-	14,800.91	14,800.91	-	-	14,800.91
(ii) Lease Liabilities*	-	-	1,096.68	1,096.68	-	-	-
(iii) Other financial liabilities*	-	-	5,415.70	5,415.70	-	-	-
Current							
(i) Borrowings#	-	-	34,699.08	34,699.08	-	-	-
(ii) Lease Liabilities*	-	-	436.22	436.22	-	-	-
(iii) Trade payables*	-	-	27,476.43	27,476.43	-	-	-
(iv) Other financial liabilities*	-	-	4,318.60	4,318.60	-	-	-
Total	**-**	**-**	**88,243.62**	**88,243.62**			

ii. **As on March 31, 2024**

(Rs.Lakhs)

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
(i) Investments	-	-	1,737.26	1,737.26	-	-	1,737.26
(ii) Loans*	-	-	35.82	35.82	-	-	-
(iii) Other financial assets*	-	-	699.92	699.92	-	-	-
Current							
(i) Investments*							
Debt instruments (Mutual funds)	3,358.92	-	-	3,358.92	3,358.92	-	-
(ii) Trade receivables*	-	-	27,587.24	27,587.24	-	-	-
(iii) Cash and cash equivalents*	-	-	1,882.69	1,882.69	-	-	-
(iv) Other bank balances*	-	-	1,186.26	1,186.26	-	-	-
(v) Loans*	-	-	19.73	19.73	-	-	-
(vi) Other financial assets*	-	-	34,761.47	34,761.47	-	-	-
Total	3,358.92	-	67,910.40	71,269.32			
Financial liabilities							
Non-current							
(i) Borrowings (including current maturities)#	-	-	8,482.43	8,482.43	-	-	8,482.43
(ii) Lease Liabilities*	-	-	1,136.19	1,136.19	-	-	-
(iii) Other financial liabilities*	-	-	5,771.27	5,771.27	-	-	-
Current							
(i) Borrowings#	-	-	42,753.38	42,753.38	-	-	-
(ii) Lease Liabilities*	-	-	531.21	531.21	-	-	-
(iii) Trade payables*	-	-	31,683.12	31,683.12	-	-	-
(iv) Other financial liabilities*	0.67	-	5,556.88	5,557.55	0.67	-	-
Total	-	-	95,914.48	95,915.15			

The Group's borrowings have been contracted at both floating and fixed rates of interests. The borrowings at floating rates reset at short intervals. Accordingly, the carrying values of such borrowings (including interest accrued but not due) approximate fair values. The fair values of long-term borrowings with fixed rates of interest is estimated by discounting future cash flows using current rates (applicable to instuments with similar terms, currency, credit risk and remaining maturities to discount the future payout).

* The carrying amounts of trade receivables, trade payables, lease liabilites, cash and cash equivalents, investments, bank balances other than cash and cash equivalents, and other financial assets and liabilities, approximate the fair values, due to their short-term nature. The other non-current financial assets represents security deposits given to various parties, loans and advances to employees and bank deposits (due for maturity after twelve months from the reporting date), lease liabilities and other non-current financial liabilities, the carrying values of which approximate the fair values as on the reporting date.

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2024 and March 31, 2023.

Valuation

Following financial instruments are remeasured at fair value as under :

(a) The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund, and the price at which issuers will redeem such units.

(b) The fair value of all derivative contracts is determined using forward exchange rate at the balance sheet.

Risk Management

The Group manages risks arising from financial instruments as under :

b. Financial risk management (continued)

(i) Credit risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Balance Sheet:

(Rs. Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Investments	**5,096.18**	4,547.25
Trade receivables	**27,587.24**	24,224.22
Cash and cash equivalents	**1,882.69**	784.24
Other bank balances	**1,186.26**	1,728.35
Loans	**55.55**	82.00
Other financial assets	**35,461.39**	27,370.13

Credit risk is the risk that a customer or counterparty to a financial instrument will fail to perform or pay amounts due, causing financial loss to the Group. It arises from cash and cash equivalents, financial instruments and principally from credit exposure to customers relating to receivables. The Group continuously reviews the credit to be given and the recoverability of amounts due. Majority of the trade receivables are from parties with whom the Group has long standing satisfactory dealings.

The Group's exposure to credit risk for trade receivables is as follows:

(Rs.Lakhs)

Particulars	Gross carrying amount	
	As at March 31, 2024	As at March 31, 2023
1-90 days past due *	**3,190.90**	932.73
91 to 180 days past due	**28.68**	61.53
More than 180 days past due #	**109.56**	125.85
Not due	**24,268.20**	23,139.08
	27,597.34	24,259.19

* The Group believes that the unimpaired amounts are collectible in full, based on historical payment behaviour.

The Group continuously reviews the credit to be given and the recoverability of amounts due. Majority of the trade receivables, both domestic and overseas, are from parties with whom the Group has long standing satisfactory dealings. The Group also make provision for lifetime expected credit loss, based on its previous experience of provisions/write offs in previous years.

Movement in the allowance for impairment in respect of trade receivables is given below:

(Rs.Lakhs)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Balance at the beginning of the year	**34.97**	24.87
Impairment loss (reversed) / recognised	**(24.87)**	10.10
Balance at the end of the year	**10.10**	34.97

Note

Cash and cash equivalents

Credit risk on cash and cash equivalents is limited as the Group generally transacts with the banks with high credit ratings assigned by domestic and international credit rating agencies.

Other financial assets

Other financial assets do not have any significant credit risk (also refer note 55).

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group believes that its liquidity position, including total cash and cash equivalent and bank balances other than cash and cash equivalent, of Rs.3,068.95 lakhs as at March 31, 2024 (March 31, 2023: Rs. 2,512.59 lakhs), anticipated future considering internally generated funds from operations fully available and revolving undrawn credit facility will enable it to meet its future known obligations in the ordinary course of business. However, if liquidity needs were to arise, the Group believes it has access to financing arrangements, which should enable it to meet its ongoing capital, operating and other liquidity requirements. The Group will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements, as necessary.

The Group's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Group's liquidity position on the basis of expected cash flows.
- Maintaining diversified credit lines.

I. Financing arrangements

The Group had access to the following undrawn borrowing facilities at the end of the reporting period:

(Rs.Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
From banks	**7,283.17**	12,096.29

II. Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted:

(Rs.Lakhs)

As at March 31, 2023	Carrying amount	Contractual cash flows			
		0-1 year	More than 1 but upto 5 years	More than 5 years	Total
Non-current liabilities					
Borrowings*	7,331.01	-	7,354.88	-	7,354.88
Lease liabilities*	1,096.68	-	1,009.29	228.35	1,237.64
Other financial liabilities	5,415.70	-	5,415.70	-	5,415.70
Current liabilities					
Borrowings	42,168.98	42,168.98	-	-	42,168.98
Lease liabilities	436.22	555.09	-	-	555.09
Trade payables	27,476.43	27,476.43	-	-	27,476.43
Other financial liabilities	4,318.60	4,318.60	-	-	4,318.60
Total	88,243.62	74,519.10	13,779.87	228.35	88,527.32

(Rs.Lakhs)

As at March 31, 2024	Carrying amount	Contractual cash flows			
		0-1 year	More than 1 but upto 5 years	More than 5 years	Total
Non-current liabilities					
Borrowings*	**3,553.44**	**-**	**3,565.64**	**-**	**3,565.64**
Lease liabilities*	**1,136.19**	**-**	**1,193.10**	**149.65**	**1,342.75**
Other financial liabilities	**5,771.27**	**-**	**5,771.27**	**-**	**5,771.27**
Current liabilities					
Borrowings	**47,682.37**	**47,682.37**	**-**	**-**	**47,682.37**
Lease liabilities	**531.21**	**660.96**	**-**	**-**	**660.96**
Trade payables	**31,683.12**	**31,683.12**	**-**	**-**	**31,683.12**
Other financial liabilities	**5,557.55**	**5,557.55**	**-**	**-**	**5,557.55**
Total	**95,915.16**	**85,584.01**	**10,530.01**	**149.65**	**96,263.66**

* Contractual cash flows do not include interest expense

(iii) Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risks: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.The Board of Directors is responsible for setting up of policies and procedures to manage market risks of the Group.

Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies, from the Group's operating, investing and financing activities.

Exposure to currency risk

The summary of quantitative data about the Group's exposure to currency risk, as expressed in Indian Rupees (Lakhs) as at March 31, 2024 and March 31, 2023.

(Rs. Lakhs)

Particulars	As at March 31, 2024			
	USD	EURO	AUD	GBP
Financial assets				
Trade receivables*	**8,543.16**	**5,792.26**	**-**	**-**
Advance to contractors	**23.89**	**20.93**	**-**	**-**
	8,567.05	**5,813.19**	**-**	**-**
Financial liabilities				
Trade payables	**8,472.36**	**718.74**	**-**	**0.67**
	8,472.36	**718.74**	**-**	**0.67**

(Rs. Lakhs)

Particulars	As at March 31, 2023			
	USD	EURO	AUD	GBP
Financial assets				
Trade receivables*	7,935.07	1,991.11	-	-
Advance to contractors	8.58	2.92	1.75	-
Cash and cash equivalents	-	-	-	-
	7,943.65	1,994.03	1.75	-
Financial liabilities				
Borrowings	1,347.38	68.08	-	0.62
Trade payables	7,358.08	840.01	-	-
	8,705.46	908.09	-	0.62

* Trade receivables are net of corresponding foreign exchange contracts

Sensitivity analysis

A reasonably possible strengthening / weakening of the Indian Rupee against below currencies at March 31, 2024 (previous year ended as on March 31, 2023) would have affected the measurement of financial instruments denominated in functional currency and affected equity and profit or loss by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(Rs. Lakhs)

Particulars	Profit or (loss)		Equity, net of tax	
	Weakening	Strengthening	Strengthening	Weakening
1% depreciation / appreciation in Indian Rupees against following foreign currencies:				
For the year ended March 31, 2024				
USD	0.95	(0.95)	0.62	(0.62)
EUR	50.94	(50.94)	33.14	(33.14)
GBP	(0.01)	0.01	(0.00)	0.00
	51.88	(51.88)	33.75	(33.75)
For the year ended March 31, 2023				
USD	(7.62)	7.62	(4.96)	4.96
EUR	10.86	(10.86)	7.06	(7.06)
AUD	0.02	(0.02)	0.01	(0.01)
GBP	(0.01)	0.01	(0.00)	0.00
	3.25	(3.25)	2.11	(2.11)

USD: United States Dollar, EUR: Euro, AUD: Australian Dollar, GBP: Great British Pound

Foreign exchange derivative contracts

The Group uses derivative financial instruments exclusively for hedging financial risks that arise from its commercial business or financing activities. The Group's Corporate Treasury team manages its foreign currency risk by hedging transactions that are expected to occur within a period of 1 to 24 months for hedges of forecasted sales, purchases and capital expenditures. When a derivative is entered into for the purpose of being a hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions, the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency. All identified exposures are managed as per the policy, duly approved by the Board of Directors. The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit risk quality yield curves in the respective currency.

The following table details the foreign currency derivative contracts outstanding at the end of the reporting period:

Outstanding contracts	No of deals		Contract value of foreign currency (in lakhs)		Maturity			
					Upto 12 months		More than 12 months	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
USD/INR Sell Forward	**21**	68	**56.50**	75.70	**4,728.76**	6,261.90	**-**	-
EUR/INR Sell Forward	**15**	9	**42.98**	10.00	**3,919.32**	893.46	**-**	-
EUR/USD Sell Forward	**-**	8	**-**	10.18	**-**	880.11	**-**	-
USD/INR Buy Forward	**-**	1	**-**	1.00	**-**	82.40	**-**	-

Impact of depreciation / appreciation in INR against USD/EUR in respect of forward contracts is not material.

(iii) Market risk

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in interest rates. The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk.

Exposure to interest rate risk

The Group's interest rate risk arises mainly from the borrowings (inlcudung cash credit) from banks carrying floating rate of interest. These obligations expose the Group to cash flow interest rate risk. The exposure of the Group's borrowing to interest rate changes as reported to the management at the end of the reporting period along with the interest rate profile are as follows:

(Rs.Lakhs)

Particular	As at March 31, 2024	As at March 31, 2023
Financial Assets		
Fixed Rate Instruments		
Bank Balances other than cash & cash equivalents	**1,186.26**	1,728.35
Other financial assets	**3,904.07**	102.39
Total	**5,090.33**	1,830.74
Financial Liabilities		
Fixed Rate Instruments		
Term loans	**2,510.08**	6,258.71
Public deposits	**902.86**	916.56
Variable-rate instruments		
Term loans	**5,069.49**	7,625.64
Cash credit	**42,753.38**	34,699.08
Total	**51,235.81**	49,499.99

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points (bps) in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(Rs.Lakhs)

Particulars	Profit or loss		Equity, net of tax	
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
For the year ended March 31, 2024				
Interest on term loans	(50.69)	50.69	(32.98)	32.98
Interest on cash credits	(427.53)	427.53	(278.14)	278.14
For the year ended March 31, 2023				
Interest on term loans	(76.26)	76.26	(49.61)	49.61
Interest on cash credits	(346.99)	346.99	(225.74)	225.74

48. Capital management

For the purposes of the Groups's capital management, capital includes issued equity share capital, securities premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the management of the Group's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital. This also considers the desirable financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows.

The Group manages its capital structure and makes adjustments to it in light of changes in the economic/ business conditions and requirements.

The Group also monitors its capital structure through gearing ratio, represented by debt-equity ratio (Net debt/Total equity). The gearing ratio for the Group as at the end of reporting period is as follows:"

(Rs.Lakhs)

Particulars	**As at March 31, 2024**	As at March 31, 2023
Borrowings	**51,235.81**	49,499.99
Less : Cash and cash equivalents	**(1,882.69)**	(784.24)
Adjusted net debt (A)	**49,353.12**	48,715.75
Total equity (B)	**81,538.00**	71,666.74
Adjusted net debt to total equity ratio (A/B)	**60.53%**	67.98%

49. Disclosure as per Ind AS 112 'Disclosure of Interest in Other Entities'

(a) Subsidiary company

The Group's subsidiaries as at March 31, 2024 is set out below. The subsidiary has share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

Name of entity	**Place of business/ country of incorporation**	**Ownership interest held by the group as at**		**Ownership interest held by non-controlling interests as at**		**Principal activities**
		As at March 31, 2024	**As at March 31, 2023**	**As at March 31, 2024**	**As at March 31, 2023**	
Daurala Foods and Beverages Private Limited	**India**	100.00	100.00	-	-	The entity deploys its surplus funds in permitted securities such as short term funds of mutual funds, bank deposits etc.
DCM Shriram Fine Chemicals Limited	**India**	100.00	100.00	-	-	The entity proposes to engage in business of manufacturing various chemicals.
DCM Shriram International Limited	**India**	100.00	100.00	-	-	The entity proposes to engaged in business of manufacturing, buying, selling, exchanging, converting, altering, importing, exporting, processing, twisting or otherwise handling or dealing in man made fibres including regenerated cellulose rayon, nylon and to sell, purchase, import, export of civil and defence related equipment, armoured vehicles, unmanned aerial vehicles and accessories of all specifications.

(b) **Summarised financial information for associate company**

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group as at		Principal activities
		As at March 31, 2024	As at March 31, 2023	
DHL Hyundai Limited	**India**	49.28	49.28	The entity is primarily engaged in trading and promotion of fabricated engineering products and leasing of Machinery & Equipments, providing Technical Know-how, Marketing assistance and other services in relation thereto.

The tables below provide summarised financial information for associates of the Group. The information disclosed reflects the amounts presented in the financial statements of the associate company and not the Group's share of those amounts.

(i) **Summarised balance sheet**

(Rs.Lakhs)

Particulars	DCM Hyundai Limited	
	As at March 31, 2024	As at March 31, 2023
Current assets		
Cash and cash equivalents	**398.34**	447.15
Other assets	**1,813.53**	1,598.60
Total current assets	**2,211.87**	2,045.75
Total non-current assets	**781.33**	899.08
Current liabilities		
Financial liabilities	**28.92**	17.79
Other liabilities	**5.78**	26.11
Total current liabilities	**34.70**	43.89
Non-current liabilities		
Other liabilities	**8.66**	2.55
Total non-current liabilities	**8.66**	2.55
Net assets	**2,949.84**	2,898.38

(ii) Reconciliation to carrying amounts

(Rs.lakhs)

Particulars	DCM Hyundai Limited	
	As at March 31, 2024	As at March 31, 2023
Opening net assets	**2,898.38**	2,813.59
Profit/(loss) for the year	**51.46**	80.62
Other comprehensive income/(expense)	**-**	4.17
Closing net assets	**2,949.84**	2,898.38
Group's share in %	**49.28%**	49.28%
Group's share in INR	**1,453.73**	1,428.37
Consolidation adjustments	**(30.97)**	(30.97)
Carrying amount	**1,422.76**	1,397.40

(iii) Summarised statement of profit and loss

(Rs.lakhs)

Particulars	DCM Hyundai Limited	
	As at March 31, 2024	As at March 31, 2023
Revenue from operations	**334.58**	222.39
Other income	**213.03**	125.15
Depreciation and amortisation	**68.77**	57.80
Interest expense	**-**	10.89
Income tax expense	**16.73**	32.59
Profit/(loss) for the year	**51.46**	80.62
Other comprehensive income/(expense)	**-**	4.17
Total comprehensive income/(expense)	**51.46**	84.79
Dividends received	**-**	-

50. Disclosure as per Schedule III to the Companies Act, 2013

(Rs.Lakhs)

Name of the entity in the Group	Net Assets, i.e., total assets minus total liabilities as at		Share in profit or loss for the year ended		Share in other comprehensive income for the year ended		Share in total comprehensive income for the year ended	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent								
DCM Shriram Industries Limited								
March 31, 2024	**93.57%**	**79,746.02**	**99.55%**	**11,494.12**	**100.00%**	**70.86**	**99.55%**	**11,564.98**
March 31, 2023	93.31%	69,920.88	99.20%	6,026.04	100.87%	(237.89)	99.13%	5,788.15
Subsidiary								
Daurala Foods & Beverages Private Limited								
March 31, 2024	**1.65%**	**1,408.45**	**0.55%**	**63.13**	**-**	**-**	**0.54%**	**63.13**
March 31, 2023	1.80%	1,345.33	0.73%	44.43	-	-	0.76%	44.43
Subsidiary								
DCM Shriram Fine Chemicals Limited								
March 31, 2024	**3.11%**	**2,647.32**	**0.30%**	**(34.76)**	**-**	**-**	**0.30%**	**(34.76)**
March 31, 2023	3.03%	2,270.80	0.57%	(34.85)	-	-	0.60%	(34.85)
Subsidiary								
DCM Shriram International Limited*								
March 31, 2024	**0.00%**	**(0.50)**	**0.01%**	**(1.24)**	**-**	**-**	**0.01%**	**(1.24)**
March 31, 2023	0.00%	0.74	0.01%	(0.61)	-	-	0.01%	(0.61)
Associate								
DCM Hyundai Limited								
March 31, 2024	**1.67%**	**1,422.76**	**0.22%**	**25.36**	**0.00%**	**-**	**0.22%**	**25.36**
March 31, 2023	1.86%	1,397.40	0.65%	39.73	-0.87%	2.05	0.72%	41.78
Total								
March 31, 2024	**100.00%**	**85,224.05**	**100.00%**	**11,546.62**	**100.00%**	**70.86**	**100.00%**	**11,617.47**
March 31, 2023	100.00%	74,935.13	100.00%	6,074.75	100.00%	(235.83)	100.00%	5,838.91
Adjustment due to consolidation								
March 31, 2024		**3,686.05**		**6.38**		**-**		**6.38**
March 31, 2023		3,268.40		58.74		-		58.74
Consolidation Net Asset / Profit after Tax								
March 31, 2024		**81,538.00**		**11,540.24**		**70.86**		**11,611.10**
March 31, 2023		71,666.74		6,016.01		(235.84)		5,780.17

* Became subsidiary w.e.f. September 07, 2022

51. Research and development expenses amounting to Rs. 617.10 lakhs (March 31, 2023: Rs. 491.48 lakhs) have been charged to the respective revenue accounts. Capital expenditure relating to research and development amounting to Rs. Nil (March 31, 2023: Rs. 8.25 lakhs) has been included in property, plant and equipment.

52. Parties covered under "The Micro, Small and Medium Enterprise Development Act, 2006" (MSMED Act, 2006) have been identified on the basis of confirmations received. The disclosures pursuant to the said MSME Act are as follows:

(Rs. Lakhs)

Particulars	**For the year ended March 31, 2024**	For the year ended March 31, 2023
(a) Amounts remaining unpaid to suppliers under MSMED (suppliers) as at the end of year.		
- Principal amount	**1,309.68**	1,215.71
- Interest due thereon	**-**	-
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	**-**	-
(c) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	**-**	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year.	**-**	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	**-**	-

53. Disclosures related to government grants

The government grants/government assistance recognised are as under:

(Rs. Lakhs)

Nature of grant/assistance	**Income/ expense head**	**For the year ended March 31, 2024**	For the year ended March 31, 2023
Subvention on loans interest	Other income	**72.69**	108.26
Interest subsidy in respect of loans at concessional rate	Other income	**138.25**	182.55
Duty drawback and other incentives (net of provision)	Other operating revenue	**1,548.70**	1,057.57

54. Immovable properties yet to be endorsed in the name of the Holding company are as under :

(Rs.Lakhs)

Particulars	Amount as on March 31, 2024	Amount as on March 31, 2023	Whether title deed holder is a promoter, director or relative of promoter/director or employee of promoter/ director	Property held since	Reason for not being held in the name of the Holding Company
Property, Plant and Equipment					
Land situated at Daurala, Uttar Pradesh (UP).	**379.04**	379.04	No	1991	Vested in the Holding company pursuant to a Scheme of Arrangement of erstwhile DCM Limited. (Undisputed)
Land situated at Kota, Rajasthan	**465.00**	465.00	No	1991	Vested in the Holding company pursuant to a Scheme of Arrangement of erstwhile DCM Limited. (Undisputed)
Land situated at Daurala, UP	**44.95**	44.95	No	2005	Vested in the Holding company pursuant to merger of Daurala Organics Limited under sections 391 to 394 of the Companies Act, 1956 in terms of approval of Honorable High Court. (Undisputed)
Total	**888.99**	888.99			

55. Consequent to introduction of Goods and Services Tax (GST) with effect from July 1, 2017, there has been ambiguity with regard to chargeability of indirect tax, i.e., UP VAT or GST or any other tax, on certain supplies made to a party and, therefore, no tax has been charged on invoices raised for such supplies. The Hon'ble Allahabad High Court in the year 2021-22 has held that no VAT is chargeable on such transactions. However, this issue is sub-judice before the Hon'ble Supreme Court in a similar matter. The buyer has provided an undertaking to indemnify the Holding Company for any tax, along with interest, penalty (if levied) and any other related expenses, as may be finally determined in this regard.

The State VAT Authorities had completed assessments for the periods July 1, 2017 to October 31, 2020 and raised demands on the Holding Company. These assessments have been cancelled after the Hon'ble Allahabad High Court order, except for the year ended March 31, 2020, which is pending disposal before the VAT Tribunal, and the VAT demand raised amounting to Rs. 6,528.32 lakhs in respect of that year has been stayed by the Tribunal. The Holding Company has deposited amounts aggregating Rs.3,417.52 lakhs under protest in respect of the aforesaid VAT matters for the periods July 1, 2017 to October 31, 2020.

During the previous year, GST demands aggregating Rs. 29,617.47 lakhs were raised in relation to these transactions from July 1, 2017 to September 30, 2022 (except for the financial year 2019-20) which have been stayed and are being contested. The Holding Company has deposited amounts aggregating Rs.2,249.50 lakhs as of March 31, 2024 (Rs. 1,891.66 lakhs as at March 31, 2023) as duty under protest in respect of GST, shown as 'Government dues paid and recoverble' under 'Other non-current assets'.

Further, GST Council in its meeting dated October 7, 2023 has ceded the right to tax such supplies to State Governments. However, State Government has not notified any rules in this regard as yet.

Pending necessary amendments / notifications in this regard, the Holding Company has continued the same accounting treatment in respect of the transactions as in previous year(s) and the Holding Company has recognized a provision for contingencies of Rs. 30,580.42 lakhs as at March 31, 2024 (Rs. 26,312.70 lakhs as at March 31, 2023) under “Provisions (current). Basis the undertaking from the buyer, the Holding Company has recognized corresponding reimbursement assets amounting to Rs. 30,580.42 lakhs as at March 31, 2024 (Rs. 26,312.70 lakhs as at March 31, 2023) under “Other financial assets (current).

The amounts aggregating Rs. 5,667.02 lakhs as at March 31, 2024 (Rs.5,309.18 lakhs as at March 31, 2023) paid under protest have been shown as recoverable under “Other non-current assets with corresponding amount shown as payable to the buyer under “Other non-current financial liabilities.

The above does not have any impact on the profits of the Group.

56. Assets charged as security

The carrying amount of assets charged as security for current and non-current borrowings are as under:

(Rs.Lakhs)

	Note	As at March 31, 2024	As at March 31, 2023
Current assets			
Inventories	11	**73,954.47**	63,482.91
Trade receivables	13	**27,587.24**	24,224.22
Cash and cash equivalents	14	**125.13**	297.39
Other bank balances	15	**1,027.87**	480.23
Loans	16	**9.54**	8.99
Other financial assets	17	**2,828.10**	479.41
Other current assets	18	**2145.16**	1,655.73
Total (I)		**1,07,677.51**	90,628.87
Non-current asset			
Property, plant and equipment	3	**58,667.52**	59,250.32
Capital work-in progress	3	**684.18**	220.61
Intangible assets	4	**155.89**	238.16
Loans	7	**13.60**	32.68
Other financial assets	8	**509.02**	462.57
Income-tax assets (net)	9	**129.98**	78.77
Other non-current assets	10	**183.86**	96.57
Total (II)		**60,344.86**	60,379.68
Grand Total (I&II)		**1,68,021.57**	1,51,008.55

57. The Board of Directors in the meeting held on 14 November, 2023 approved a Composite Scheme of Arrangement (“the Scheme”) between DCM Shriram Industries Limited, and DCM Shriram Fine Chemicals Limited, and DCM Shriram International Limited (wholly owned subsidiaries of DCM Shriram Industries Limited), and Lily Commercial Private Limited, for amalgamation of Lily Commercial Private Limited with DCM Shriram Industries Limited, and subsequent demerger of Chemical and Rayon businesses of DCM Shriram Industries Limited into DCM Shriram Fine Chemicals Limited and DCM Shriram International Limited, respectively, with effect from the appointed date of 1 April 2023, subject to regulatory and statutory approvals, as applicable. The Scheme is presently under consideration of Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). Pending the necessary approvals, which are substantive in nature, the effect of the Scheme has not been given in the financial statements.

58. Assets held for sale

Management has committed to a plan to sell the following assets in near future. Assets classified as held for sale are measured at lower of the carrying amount and fair value, less costs to sell, at the reporting date.

(Rs.Lakhs)

Particulars	As at March 31, 2024	As at March 31, 2023
Building	33.87	33.87

59. Financial Ratios:

Particulars	Numerator	Denominator	March 31, 2024	March 31, 2023	Variance
(a) Current Ratio	Current assets	Current liabilities	1.2	1.2	3.3%
(b) Debt- Equity Ratio	Total Debt	Total Equity	0.6	0.7	(9.1)%
(c) Debt Service Coverage Ratio**	Earnings available for debt service*	Scheduled Debt Service	2.4	1.4	69.8%
(d) Return on Equity Ratio**	Net Profits after taxes	Average Shareholder's Equity	15.1%	8.7%	73.9%
(e) Inventory Turnover Ratio***	Cost of goods sold	Average Inventory	1.8	2.5	(28.5)%
(f) Trade Receivable Turnover Ratio	Revenue	Average Trade Receivables	8.0	9.5	(15.4)%
(g) Trade Payable Turnover Ratio	Purchases and other expenses	Average Trade Payables	5.8	6.6	(12.1)%
(h) Net Capital Turnover Ratio^	Revenue	Working Capital	7.8	12.3	(36.5)%
(i) Net Profit Ratio**	Net Profit	Total Income	5.5%	2.5%	115.8%
(j) Return on Capital Employed**	Earning before interest and taxes	Average Capital Employed #	22.0%	13.5%	62.8%
(k) Return on Investment@	"Income generated from investments"	"Time weighted average investments"	7.3%	5.6%	29.7%

* PBT + Depreciation + Interest on Term Loan - Taxes

Tangible net worth + Long term debt + Deferred tax liabilities

** Increase mainly on acccount of higher profitability

@ Increase on account of change in yield.

*** Decrease mainly due to higher inventory

^ Decrease mainly due to lower revenue

60. Additional regulatory information:

i) The Group does not have any benami property, and no proceeding has been initiated against the Company for holding any benami property.

ii) The Group does not have any transactions with struck off companies.

iii) Details of charges / satisfaction which are yet to be registered with Registrar of Companies (ROC).

Pending Satisfaction/ Registration	Brief description of the charges or satisfaction	Location of Registrar	Amount of Charge (Rs. Lakhs)	Reason for delay in satisfaction
Satisfaction	A charge created with serial number R36032811, charge ID 80000572 on 31st March 1978 and subsequently modified on 18th March 2020 in favour of Oriental bank of Commerce, Transport Nagar, UP-250002, India.	New Delhi	2,450.00	"The loan has been repaid fully on the due date and no dues certificate has been received from the lender. Requisite papers have been filed with the ROC. The said charge was created in FY 1978 (by erstwhile DCM Ltd) and was transferred to the Company in the year 1990 pursuant to reconstruction arrangement of erstwhile DCM Ltd. There is a technical issue at ROC for online updation of satisfaction which is under discussion with ROC."

iv) The Group has not traded or invested in crypto currency or any virtual currency during the financial year.

v) The Group 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 Group (ultimate beneficiaries) or

  b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.

vi) The Group 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 to or on behalf of the ultimate beneficiaries.

vii) The Group does not have any 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 Group has not been declared as a wilful defaulter by any banks or any other financial institution at any time during the financial year, or after the end of the reporting period but before the date when the financial statements are approved by the Board of Directors.

ix) 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.

As per our report of even date attached	**For and on behalf of the Board of Directors DCM Shriram Industries Limited**	
For B S R & Co. LLP		
Chartered Accountants	Vineet Manaktala	S.B. Mathur
ICAI Firm Registration no.:	Director Finance & Chief Financial Officer	Chairman
101248W/W-100022	DIN: 09145644	DIN: 00013239
	Alok B. Shriram	Madhav B. Shriram
Kaushal Kishore	Sr. Managing Director	Managing Director
Partner	DIN: 00203808	DIN: 00203521
Membership No.: 090075	Y.D. Gupta	Urvashi Tilakdhar
	Vice President & Company Secretary	Wholetime Director
Place: New Delhi	Place: New Delhi	DIN: 00294265
Date: May 27, 2024	Date: May 27, 2024	

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/ associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1.	Sl. No.	1
2.	Name of the subsidiary	Daurala Foods & Beverages Pvt. Ltd.
3.	The date since when subsidiary was acquired	6th February, 2007
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	N.A.
6.	Share Capital	7,50,00,000
7.	Reserves & Surplus	6,58,45,170
8.	Total assets	14,09,16,570
9.	Total Liabilities	14,09,16,570
10.	Investments	-
11.	Turnover	93,85,810
12.	Profit before taxation	85,24,140
13.	Provision for taxation	22,11,570
14.	Profit after taxation	63,12,570
15.	Proposed Dividend	-
16.	% of shareholding	100%

1.	Sl. No.	2
2.	Name of the subsidiary	DCM Shriram Fine Chemicals Ltd.
3.	The date since when subsidiary was acquired	29th September, 2021
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	N.A.
6.	Share Capital	20,00,00,000
7.	Reserves & Surplus	6,47,32,000
8.	Total assets	26,48,58,000
9.	Total Liabilities	26,48,58,000
10.	Investments	-
11.	Turnover	Nil
12.	Profit before taxation	(34,76,000)
13.	Provision for taxation	Nil
14.	Profit after taxation	(34,76,000)
15.	Proposed Dividend	-
16.	% of shareholding	100%

1.	Sl. No.	3
2.	Name of the subsidiary	DCM Shriram International Ltd.
3.	The date since when subsidiary was acquired	7th September, 2022
4.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	N.A.
5.	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	N.A.
6.	Share Capital	1,00,000
7.	Reserves & Surplus	(1,50,189)
8.	Total assets	53,711
9.	Total Liabilities	53,711
10.	Investments	-
11.	Turnover	Nil
12.	Profit before taxation	(1,23,756)
13.	Provision for taxation	Nil
14.	Profit after taxation	(1,23,756)
15.	Proposed Dividend	-
16.	% of shareholding	100%

Part "B": Associates and Joint Ventures

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

(Rs.)

Name of Associates / Joint Ventures	DCM Hyundai Ltd.
1. Latest audited Balance Sheet Date	March 31, 2024
2. Date on which the Associate was associated	July 17, 1995
3. Shares of Associate/Joint Ventures held by the company on the year end : - No. - Amount of Investment in Associates /Joint Venture - Extent of Holding %	 19,72,000 Rs.1,66,00,005/- 49.28%
4. Description of how there is significant influence	Holding more than 20% Equity Share Capital
5. Reason why the associate/joint venture is not consolidated	N.A.
6. Networth attributable to Shareholding as per latest audited Balance Sheet	14,53,68,246/-
7. Profit / Loss for the year i. Considered in Consolidation ii. Not Considered in Consolidation	 25,36,080/- 26,10,186/-

Note : DCM Shriram Fine Chemicals Ltd. and DCM Shriram International Limited, both wholly owned subsidiaries, are yet to commence operations. No subsidiaries or associate companies have been sold or liquidated during the year.

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
ICAI Firm Registration no.:
101248W/W-100022

Kaushal Kishore
Partner
Membership No.: 090075

Place: New Delhi
Date: May 27, 2024

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

Vineet Manaktala
Director Finance & Chief Financial Officer
DIN: 09145644

S.B. Mathur
Chairman
DIN: 00013239

Alok B. Shriram
Sr. Managing Director
DIN: 00203808

Madhav B. Shriram
Managing Director
DIN: 00203521

Y.D. Gupta
Vice President & Company Secretary

Urvashi Tilakdhar
Wholetime Director
DIN: 00294265

Place: New Delhi
Date: May 27, 2024