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# DCM SHRIRAM

**DCM SHRIRAM INDUSTRIES LTD.**

*Annual Report 2024-25*

<b>Board of Directors</b>	Shri S.B. Mathur	Chairman – Non Executive
	Shri Alok B. Shriram	Sr. Managing Director & CEO
	Shri Madhav B. Shriram	Managing Director
	Smt. Urvashi Tilakdhar	Whole Time Director
	Shri Vineet Manaktala	Director Finance & CFO
	Smt. V. Kavitha Dutt	
	Shri Sanjay C. Kirloskar	
	Shri Manoj Kumar	
	Shri Suman Jyoti Khaitan	
	Shri Harjeet Singh Chopra	
	Shri Kamal Kumar	LIC Nominee
	Smt. Meenakshi Behara	

<b>Principal Executives</b>	Shri Sanjay Rastogi	Chief Operating Officer (DSW)
	Shri Akshay Dhar	President (Business Group Chemicals)
	Shri P.D. Bagla	Chief Operating Officer (Business Group Rayons)

<b>Company Secretary</b>	Shri Y.D. Gupta	Sr. Vice President (Law & Taxation)
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<b>Bankers</b>	State Bank of India
	Punjab National Bank
	Axis Bank Ltd.
	HDFC Bank Ltd.
	Moradabad Zila Sahkari Bank Ltd.

<b>Auditors</b>	B S R & Co., LLP
	Gurugram

<b>Registered Office</b>	Kanchenjunga Building,	CIN	: L74899DL1989PLC035140
	5th Floor,	Tel. No.	: (011) 4374 5000
	18, Barakhamba Road,	E-mail	: dsil@dcmsr.com
	New Delhi - 110 001	Website	: <a href="https://www.dcmsr.com">https://www.dcmsr.com</a>

# DCM SHRIRAM INDUSTRIES LIMITED

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Regd Office: “Kanchenjunga Building”, 5th Floor, 18, Barakhamba Road, New Delhi-110001

CIN: L74899DL1989PLC035140, Telephone : (011) 43745000

Email: [dsil@dcmsr.com](mailto:dsil@dcmsr.com) Website : <https://www.dcmsr.com>

## NOTICE

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The 34th Annual General Meeting of the Company will be held on Tuesday, the 12th August, 2025 at 11:00 A.M. through Video Conference (VC) / Other Audio Visual Means (OAVM), to transact the following businesses:

### **Ordinary Business:**

**1. To consider and adopt:**

- a) The Audited Financial Statements of the Company for the Financial Year ended March 31, 2025 and the Reports of the Auditors and Board of Directors thereon; and
- b) The Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2025 and the Report of the Auditors thereon.

**2. To confirm the payment of interim dividend of Rs. 2 per equity share of Rs. 2 (100%) already paid for the financial year 2024-25.**

**3. Appointment of director liable to retire by rotation:**

To appoint a director in place of Smt. Urvashi Tilakdhar (DIN:00294265), who retires by rotation and being eligible, offers herself for re-appointment.

**4. Appointment of director liable to retire by rotation:**

To appoint a director in place of Shri Manoj Kumar (DIN:00072634), who retires by rotation and being eligible, offers himself for re-appointment.

### **Special Business:**

**5. Cost Auditors – Ratification of Remuneration:**

To consider and, if thought fit, to pass the following resolution, with or without modification(s), as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Section 148(3) of the Companies Act, 2013, read with Rule 14 of the Companies (Audit & Auditors) Rules, 2014, the remuneration of Rs. 2.20 lakh plus GST and out of pocket expenses, if any, fixed by the Board of Directors, on recommendation of the Audit Committee, for audit of the cost records of the Company by M/s. Ramanath Iyer & Co., (Firm Regn. No.13848) for the year 2025-26, be and is hereby ratified and confirmed.”

**6. Appointment of Secretarial Auditors:**

To consider and, if thought fit, to pass the following resolution, with or without modification(s), as an ordinary resolution:

“RESOLVED THAT pursuant to the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and all other applicable provisions, M/s. Chandrasekaran Associates, a Peer Reviewed Firm of Company Secretaries (Peer Review Certificate No.6689/2025), having Registration Number - P1988DE002500, be and are hereby appointed as the Secretarial Auditors of the Company for a term of five years, commencing from 01.04.2025 to 31.03.2030 for conducting the secretarial audit and for undertaking additional certification works as may be required.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to fix the remuneration payable to the Secretarial Auditors, in addition to the reimbursement of out-of-pocket expenses incurred by them in connection with the performance of their duties from year to year.”

By order of the Board

For DCM SHRIRAM INDUSTRIES LIMITED



(Y.D. Gupta)

Company Secretary & Sr. Vice President

(Law & Taxation)

**FCS 3405**

New Delhi

May 29, 2025

# DCM SHRIRAM INDUSTRIES LIMITED

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## NOTES:

1. Explanatory Statement, as required under Section 102 of the Companies Act, 2013, is annexed.
2. Pursuant to the provisions of Section 91 of the Act, the Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, the 02<sup>nd</sup> August, 2025 to Tuesday, the 12<sup>th</sup> August, 2025** (both days inclusive) for the purpose of the AGM.
3. In terms of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (IEPF) the Company has transferred the unclaimed dividend (final) in respect of financial year 2016-17 in September, 2024 to IEPF. The details are available on the website of the Company i.e. <https://dcmsr.com/wp-content/uploads/2024/06/Shares-and-Unclaimed-Final-Dividend-for-the-year-2016-17-liable-to-transfer-to-IEPF-Authority.pdf> .

The shares in respect of which dividend has not been claimed for seven consecutive years or more are also required to be transferred to the IEPF following the prescribed procedure. The Company had in compliance with the said Rules transferred 1,02,825 equity shares to IEPF in the month of October, 2024. The shares and dividends so transferred can be claimed from the IEPF after complying with the prescribed requirements. As per the Rules, the holders of such shares cannot exercise any of the rights attached to the shares unless the shares are reclaimed from the IEPF. The details of the dividend/shares transferred to IEPF have been uploaded on the above Company website after such transfer.

The shareholders who have not encashed their dividend for the previous year(s) may contact the Company or Registrar & Transfer Agents for claiming the unpaid dividend.

The unclaimed dividend for the financial year 2017-18 declared on August 11, 2018 along with the shares are due to be transferred to the IEPF by September, 2025. The same can, however, be claimed by the Members by 31<sup>st</sup> August, 2025. The details of such unclaimed dividend and shares to be transferred are available on the Company's Website, [www.dcmsr.com](http://www.dcmsr.com). Individual notice will be sent to those shareholders whose shares are liable to transfer to IEPF.

4. Shareholders who hold shares in physical form may note that SEBI has made it mandatory for the persons holding securities in physical form to furnish PAN, email, postal address, mobile number, signature, bank account details and nomination details. Relevant details and forms prescribed by SEBI in this regard are available on the website of the Company at <https://dcmsr.com/circular-to-shareholders/#circular-to-shareholders> and at KFin's website <https://ris.kfintech.com/clientservices/isc/isrforms.aspx> . Members holding shares in physical form are requested to submit their aforesaid details, if not already furnished, to the Registrar and Share Transfer Agent viz. KFin Technologies Ltd.
5. As per Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, (the "SEBI Listing Regulations") as amended, securities of listed companies can be transferred only in dematerialized form.

SEBI has mandated the listed companies that all service requests for issue of duplicate share certificates, claim from unclaimed share suspense account, renewal/ exchange of share certificates, endorsement, subdivision/ splitting/consolidation of certificates, transmission and transposition should be processed in dematerialized form only. A Letter of Confirmation (LoC) will be issued by the RTA on replacement of old/ mutilated/ lost share certificates and transmission cases based on which the shareholders can get credit of the shares into his/ her demat account. The necessary forms for the above request are available on the website of the Company i.e. <https://dcmsr.com/circular-to-shareholders/#circular-to-shareholders>.

In view of the above guidelines and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form.

6. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN, if not already furnished, to their Depository Participants with whom they are maintaining their demat accounts.

7. The information with regard to Smt. Urvashi Tilakdhar (DIN:00294265) and Shri Manoj Kumar (DIN: 00072634), whose re-appointments as directors liable to retire by rotation, come up in the AGM for approval, is given in Note 26 hereunder and forms an integral part of this Notice.
8. The Central Government by Circular No. 09/2024 dated 19.09.2024 has allowed general meetings to be held through Video Conference/ Other Audio-Visual Means by following procedures laid down in the circulars, Circular No.14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 read with Circular No. 20/2020 dated May 05, 2020. The above provision has been extended till 30.09.2025 (collectively referred to as "MCA Circulars"). Accordingly, this meeting is convened as e-AGM, to be held through Video Conference.
9. **E-AGM:** The Company has appointed KFin Technologies Limited ("KFIN"), Registrar and Transfer Agents of the Company, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting of the e-AGM.
10. Pursuant to the provisions of the MCA Circulars regarding holding e-AGM through VC/ OAVM:
  - a. Members can attend the meeting through login credentials provided to them to connect to Video Conference. Physical attendance of the Members at the Meeting venue is not required.
  - b. Since the AGM is being held through VC, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by Members is not available and as such the Proxy Form and Attendance Slip are not annexed to this Notice.
  - c. Pursuant to the provisions of Sections 112 and 113 of the Act, representatives of the Members may be appointed for the purpose of voting through remote e-voting or for participation and e-voting through Instapoll during the AGM. Corporate Members intending to authorize their representatives to attend the AGM are requested to email the same to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or [investorservices@dcmsr.com](mailto:investorservices@dcmsr.com), along with certified true copy of the latest Board Resolution or Power of Attorney, authorizing their representative to participate and vote at the AGM, on their behalf.
11. The Members can join the e-AGM 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
12. Up to 2500 members will be able to join the e-AGM on FIFO basis.
13. No restrictions on account of FIFO entry into e-AGM will be there for large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc.
14. The attendance of the Members (members login) attending the e-AGM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
15. **Remote e-Voting:** Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of SEBI Listing Regulations, and the MCA Circulars, the Company is providing facility of remote e-voting to its Members through e-Voting agency, M/s KFin Technologies Limited.
16. **Voting at the e-AGM:** Members who could not vote through remote e-voting may avail the e-voting system through 'instapoll' provided at the Video Conference by KFin Technologies Ltd.
17. In line with the MCA Circulars, the Notice calling the AGM and the Annual Report for the financial year 2024-25 have been uploaded on the website of the Company at <https://dcmsr.com/financial-results-annual-reports/#financial-results>. The Notice can also be accessed from the websites of Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and is also available on the website of e-voting agency M/s KFin Technologies Limited at their website address (<https://evoting.kfintech.com/public/Downloads.aspx>).

18. **Procedure for obtaining the Annual Report, e-AGM notice and e-voting instructions by the shareholders whose email addresses are not registered with the depositories (in case of shareholders holding shares in Demat form) or with RTA (in case the shareholders holding shares in physical form):**

The Company has sent the Annual Report, Notice of e-AGM and e-Voting instructions only in electronic form to the registered email addresses of the shareholders.

Those shareholders who have registered / not registered their e-mail address and mobile nos. including address and bank details may please contact and validate/update their details with the Depository Participant in case of shares held in electronic form and with the Company's Registrar and Share Transfer Agent, KFin Technologies Ltd. in case the shares are held in physical form.

Physical shareholders who have not registered their email address download the ISR from link (<https://ris.kfintech.com/clientservices/isc/isrforms.aspx>) and send the physical forms along with the supporting documents to Company's Registrar and Share Transfer Agent, KFin Technologies Limited for updation of their email and other KYC details.

Members may send an email request to [investorservices@dcmsr.com](mailto:investorservices@dcmsr.com) along with the scanned copy of their request letter duly signed by the 1st shareholder, providing the email address, mobile number, self- attested copy of PAN and Client Master copy in case shares are held in electronic form or copy of the share certificate in case shares are held in physical form for Notice of the AGM, the Annual Report of the Company for the financial year 2024-25 and the e-voting instructions for ensuing AGM.

However, Members holding shares in electronic form, will have to once again register their email address and mobile number with their DPs, to permanently update the said information.

In case of any queries, in this regard, Members are requested to write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or [evoting@kfintech.com](mailto:evoting@kfintech.com) or contact KFIN at toll free number: 1800 309 4001.

Shareholders are also requested to visit the website of the Company <https://www.dcmsr.com> or the website of the Registrar and Transfer Agent (<https://evoting.kfintech.com/public/Downloads.aspx>) for downloading the Annual Report and Notice of the e-AGM.

19. **Instructions for the Members for attending the e-AGM through Video Conference, speaker registration and posting of queries:**

1. Members holding shares either in physical form or in electronic form, as on the cut-off date i.e. **Friday, 01<sup>st</sup> August, 2025** can attend the AGM through VC, by following the instructions, as mentioned below:

- (i) Click on the following URL: <https://emeetings.kfintech.com>
- (ii) For attending the AGM all the shareholders (including the individual shareholders holding shares in Demat Mode) need to use the remote e-voting login credentials as provided by Kfintech/Company.
- (iii) The remote e-voting credentials will either be received through email from the Company/ Kfintech or can be retrieved by following the procedure as mentioned in Note No. 20 (II)
- (iv) After logging in, click on "Video Conference" option.
- (v) Then click on camera icon appearing against AGM event of Company to attend the AGM.

Members who have forgotten the Password are advised to use "Forgot Password" options available on the website.

2. **Speaker Registration during e-AGM session:** Members who wish to ask questions during the AGM, can register themselves as a 'Speaker' by logging into <https://emeetings.kfintech.com/> and clicking on "Speaker Registration" by mentioning the demat account number / folio number, city, email address, mobile number and submit. The speaker registration shall commence from Tuesday, 5<sup>th</sup> August, 2025 at 9.00 a.m. and shall close on Friday, 8<sup>th</sup> August, 2025 at 5.00 p.m.

Only those Members who have registered themselves as a 'Speaker', as aforesaid, will be able to ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

3. **AGM questions prior to e-AGM:** Members who wish to post their queries may log into <https://emeetings.kfintech.com> and click on "Post your Questions" and may post their queries/views/questions in the window provided by mentioning the name, demat account number/ folio number, email id, mobile number. The posting of the questions by the shareholders/members shall commence from Tuesday, 5<sup>th</sup> August, 2025 at 9.00 a.m. and shall close on Friday, 8<sup>th</sup> August, 2025 at 5.00 p.m.
  4. Members can participate at the AGM through desktop/phone/laptop/tablet. However, for better experience and smooth participation, it is advisable to use Google Chrome, through Laptops connected through broadband, for the said purpose.
  5. Further Members will be required to allow camera, if any, and hence use Internet with a good speed to avoid any disturbance during the meeting.
  6. Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
  7. In case Members have any queries or need any assistance on e-voting/participation at the AGM/ Speaker Registration process or for posting queries, may please write to KFIN at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or [investorservices@dcmsr.com](mailto:investorservices@dcmsr.com). They may contact KFIN at toll free number: 1800 309 4001.
  8. Due to limitations of transmission and coordination during the Q&A session, the Company may dispense with the speaker registration during the e-AGM.
20. **The details of the process and manner for remote e-Voting and e-AGM are explained herein below:**

In compliance with the provisions of Section 108 of the Act and Rules made thereunder, Regulation 44 of the SEBI Listing Regulations and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI), the Company is pleased to provide the members facility to exercise their right to vote through the e-Voting services provided by Kfintech, on all the resolutions set forth in this Notice.

Pursuant to SEBI circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process.

**The voting through electronic means will commence on Friday, 8<sup>th</sup> August, 2025 at 9.00 A.M. and will end on Monday, 11<sup>th</sup> August, 2025 at 5.00 P.M.**

The details of the process and manner for remote e-Voting are explained herein below:

**I. Individual Members holding shares of the Company in Demat mode:**

The procedure to login and access remote e-Voting as devised by Depositories / Depository Participants are given below:

**A. Individual Members holding shares in Demat mode with National Securities Depository Limited ("NSDL"):**

1. Users already registered for IDeAS e-Services facility of NSDL may follow the following procedure:
  - i. Type in the browser / Click on the following e-Services link: <https://eservices.nsdl.com>
  - ii. Click on the button "Beneficial Owner" available for login under 'IDeAS' section.



- iii. A new page will open. Enter your User ID and Password for accessing IDeAS.
- iv. On successful authentication, you will enter your IDeAS service login. Click on “Access to e-Voting” under Value Added Services on the panel available on the left hand side.
- v. Click on the e-Voting link available against Company name or select e-Voting service provider “KFintech” and you will be re-directed to the e-Voting page of KFintech to cast your vote without any further authentication.

Users not registered for IDeAS e-Services facility of NSDL may follow the following procedure:

- i. To register, type in the browser / Click on the following link: <https://eservices.nsdl.com>
- ii. Select option “Register Online for IDeAS” available on the left hand side of the page.
- iii. Proceed to complete registration using your DP ID, Client ID and Mobile Number etc.
- iv. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.

2. Users may directly access the e-Voting module of NSDL as per the following procedure:

- i. Type in the browser/Click on the following link: <https://www.evoting.nsdl.com>
- ii. Click on the button “Login” available under “Shareholder/ Member” section.
- iii. On the login page, enter User ID (that is, 16-character demat account number held with NSDL, starting with IN), Login Type, that is, through typing Password (in case you are registered on NSDL’s e-voting platform)/ through generation of OTP (in case your mobile/e-mail address is registered in your demat account) and Verification Code as shown on the screen.
- iv. On successful authentication, you will enter the e-Voting module of NSDL. Click on “Active E-voting Cycles / VC or OAVMs” option under e-Voting. Click on the e-Voting link available against Company name or select e-Voting service provider “KFintech” and you will be re-directed to the e-Voting page of “KFintech” to cast your vote without any further authentication.

## **B. Individual Members holding shares in Demat mode with Central Depository Services (India) Limited (“CDSL”):**

1. Users already registered for Easi / Easiest facility of CDSL may follow the following procedure:
  - i. Type in the browser / Click on any of the following links <https://web.cdslindia.com/myeasinew/home/login/> or <https://www.cdslindia.com> and click on New System Myeasi / Login to My Easi option under Quick Login.
  - ii. Enter your User ID and Password for accessing Easi / Easiest.
  - iii. You will see Company name on the next screen.
  - iv. Click on the e-Voting link available against Company name or select e-Voting service provider “Kfintech or Karvy” and you will be re-directed to the e-Voting page of KFintech to cast your vote without any further authentication.

**Users not registered for Easi/Easiest facility of CDSL may follow the following procedure:**

- i. To register, type in the browser / Click on the following link:  
<https://web.cdslindia.com/myeasinew/Registration/EasiRegistration>
  - ii. Proceed to complete registration using your DP ID Client ID (BO ID), etc.
  - iii. After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.
2. Users may directly access the e-Voting module of CDSL as per the following procedure:
- i. Type in the browser / Click on the following links: <https://evoting.cdslindia.com/Evoting/EvotingLogin>

- ii. Provide Demat Account Number and PAN
- iii. System will authenticate user by sending OTP on registered Mobile & E-mail as recorded in the Demat Account.
- iv. On successful authentication, you will enter the e-voting module of CDSL. Click on the e-Voting link available against Company name or select e-Voting service provider “KFintech or Karvy” and you will be re-directed to the e-Voting page of KFintech.

**C. Individual Members holding shares in Demat mode - Procedure to login through their demat accounts / Website of Depository Participant:**

- i. Individual Members holding shares of the Company in Demat mode can access e-Voting facility provided by the Company using login credentials of their demat accounts (online accounts) through their demat accounts / websites of Depository Participants registered with NSDL/CDSL.
- ii. An option for “e-Voting” will be available once they have successfully logged-in through their respective logins.
- iii. Click on the option “e-Voting” and they will be redirected to e-Voting modules of NSDL/ CDSL (as may be applicable). Click on the e-Voting link available against Company name or select e-Voting service provider “KFintech” and you will be redirected to the e-Voting page of KFintech to cast your vote without any further authentication.

Members who are unable to retrieve User ID / Password are advised to use “Forgot User ID” / Forgot Password” options available on the websites of Depositories /Depository Participants.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at 022 - 4886 7000, 022 - 2499 7000
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact 022-23058738 or 022- 23058542 or at toll free no. 1800 22 55 33.

**II. Information and instructions for remote e-Voting by Members other than individuals holding shares of the Company in demat mode and all Members holding shares in physical mode:**

- A. In case a shareholder receives an e-mail from the Company / KFintech [for Members whose e-mail address is registered with the Company / Depository Participant(s)] which include the details of E-Voting Event Number (“EVEN”), USER ID and Password. Kindly follow the following steps:
  - i. Launch internet browser by typing the URL: <https://evoting.kfintech.com>
  - ii. Enter the login credentials (i.e., User ID and Password) as mentioned in the email. However, if you are already registered with KFintech for e-Voting, you must use the existing User ID and password for logging-in.
  - iii. In case of physical folio, User ID will be EVEN followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID.

If required, please visit <https://evoting.kfintech.com> or contact toll-free number 1800-309-4001 (from 9:00 a.m. to 6:00 p.m. on all working days) for assistance on your existing password. Members who have forgotten the password are advised to use “Forgot Password” options available on the website.

- iv. After entering these details appropriately, click on “LOGIN”.
  - v. You will now reach Password Change Menu wherein you are required to mandatorily change your password upon logging-in for the first time. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, e-mail address, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
  - vi. You need to login again with the new credentials.
  - vii. On successful login, the system will prompt you to select the E-Voting Event Number (EVEN) for DCM Shriram Industries Limited.
  - viii. On the voting page, enter the number of shares as on the Cut-off Date under either “FOR” or “AGAINST” or alternatively, you may partially enter any number under “FOR” / “AGAINST”, but the total number under “FOR” / “AGAINST” taken together should not exceed your total shareholding as on the Cut-off Date. You may also choose to “ABSTAIN” and vote will not be counted under either head.
  - ix. Members holding shares under multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
  - x. Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as “ABSTAINED”.
  - xi. You may then cast your vote by selecting an appropriate option and click on “SUBMIT”.
  - xii. A confirmation box will be displayed. Click “OK” to confirm, else “CANCEL” to modify.
  - xiii. Once you confirm, you will not be allowed to modify your vote.
  - xiv. Corporate / Institutional Members (i.e., other than Individuals, HUF, NRI etc.) are required to send scanned certified true copy (PDF Format) of the Board Resolution/ Authority Letter etc. as mentioned in the notes of this Notice.
- B. In case whose email address is not registered with the Company / Depository Participants, kindly follow the instruction in Note No. 18 to the Notice.

**Any Member who has forgotten the User ID and Password, may obtain/generate/retrieve the same from KFinTech in the manner as mentioned below:**

- i. If the mobile number of the Member is registered against Folio No./DP ID Client ID, the Member may send SMS:  
MYEPWD<Space> E-Voting Event Number + Folio No. or DP ID Client ID to 9212993399.
  - 1. Example for NSDL: MYEPWD<SPACE> XXXXIN12345612345678
  - 2. Example for CDSL: MYEPWD<SPACE> XXXX1402345612345678
  - 3. Example for Physical: MYEPWD<SPACE> XXXX1234567890
- ii. If e-mail address and mobile number of the Member is registered against Folio No./DP ID Client ID, then on the home page of <https://evoting.kfintech.com/> the Member may click “Forgot Password” and enter Folio No. or DP ID Client ID and PAN to generate a password.
- iii. Member may call on KFinTech’s toll-free number 1800-309-4001 [from 9:00 A.M. (IST) to 6:00 P.M. (IST) on all working days].
- iv. Member may send an e-mail request to [evoting@kfintech.com](mailto:evoting@kfintech.com) after due verification of the request, User ID and password will be sent to the Member.

- v. If the Member is already registered with KFinTech's e-voting platform, then he/she/it can use his/her/its existing password for logging-in.

The remote e-voting facility shall be available during the following period:

Commencement of remote e-voting : **Friday, 8th August, 2025 (9:00 A.M.)**  
End of remote e-voting : **Monday, 11th August, 2025 (5:00 P.M.)**

During this period, only those persons whose names appears in the Register of Members or in the Register of beneficial owners maintained by the Depositories, as on the cut-off date i.e. **Friday, 1<sup>st</sup> August, 2025**, shall be entitled to cast their vote through remote e-voting. The remote e-voting facility shall be forthwith disabled by KFin after expiry of the said period.

In case of any query on e-voting, Members may refer to the "Help" and "FAQs" sections / E-voting user manual available through a dropdown menu in the "Downloads" section of KFin's website for e-voting: <https://evoting.kfintech.com> or contact KFinTech as per the details given below.

Members are requested to note the following contact details for addressing e-voting related grievances:

Mr. S.R. Ramesh, Corporate Registry  
KFin Technologies Limited  
"Selenium Tower-B", Plot No. 31 & 32,  
Financial District, Nanakramguda,  
Serilingampally Mandal, Hyderabad - 500032, Telangana.  
Toll-free No.: 1800 309 4001  
Email: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

#### **Voting at the e-AGM:**

- i. Members who could not vote through remote e-Voting may avail the e-Voting system provided at the e-AGM ("Insta Poll") by KFin Technologies Limited.
  - ii. Only those Members/ Shareholders who will be present in the e-AGM through Video Conferencing facility and who have not cast their vote through remote e-Voting are eligible to vote through Insta Poll.
  - iii. Members who have voted through remote e-Voting will be eligible to attend the e-AGM, however, will not be eligible to vote at the meeting.
  - iv. Insta Poll Instructions: The e-Voting "Thumb sign" on the left hand corner of the video screen shall be activated upon instructions of the Chairman during the e-AGM proceedings. Shareholders shall click on the same to take them to the "Insta Poll" page.
  - v. Members to click on the "Insta Poll" icon to reach the resolution page and follow the instructions to vote on the resolutions.
  - vi. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the e-AGM shall be the same person mentioned for remote e-voting.
21. Shri Swaran Kumar Jain (C.P.No.4906) and Shri Surinder Kumar Jolly (COP: 10376), Practicing Company Secretaries, have been appointed as the Scrutinizer and Alternate Scrutinizer respectively, to scrutinize the e-voting process in a fair and transparent manner. Institutional Members (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc to the Scrutinizer through email to [swaran234@hotmail.com](mailto:swaran234@hotmail.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com), not later than 48 hours before the scheduled time of the commencement of the Meeting.
22. The Scrutinizer shall immediately after conclusion of the e-AGM, unblock the votes cast through remote e-voting / e-voting through instapoll during the AGM in the presence of at least two (2) witnesses, not

# DCM SHRIRAM INDUSTRIES LIMITED

in the employment of the Company and make, not later than 2 days of conclusion of the meeting, the Scrutinizer's Report of the total votes cast in favour or against, if any, and submit the Report to the Chairman or a person authorized by him in writing, who shall counter-sign the report and declare the results forthwith.

23. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website "<https://www.dcmsr.com>" and on the website of KFin Technologies Ltd. i.e. <https://evoting.kfintech.com> within two working days of the conclusion of the meeting. The said Results will also be displayed at the Registered and Corporate Offices of the Company, in accordance with the Secretarial Standards-2 on General Meetings, issued by the Institute of Company Secretaries of India.
24. The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by companies through electronic mode. We propose to send all future communications in electronic mode to the email address provided by you. Members who have not registered their email IDs are requested to intimate their email ID to the Company's Registrars, viz. KFin Technologies Ltd. (Email ID: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)) or their depository participants.
25. **KPRISM – Mobile Service application by KFin Technologies Ltd:**

Members are requested to note that, Registrar and Share Transfer Agents, KFin Technologies Limited have launched a new mobile application – KPRISM and website <https://kprism.kfintech.com/> for online service to shareholders.

*Members can download the mobile application, register yourself (onetime) for availing host services viz., consolidated portfolio view serviced by KFin Technologies, Dividends status and send requests for change of address, change/ update Bank Mandate. Through the mobile app, members can download Annual reports, standard forms and keep track of upcoming General Meetings, IPO allotment status and dividend disbursements. The mobile application is available for download from Android Play Store. Alternatively visit the link <https://kprism.kfintech.com/> to download the mobile application.*

26. **Profile of the Directors retiring by rotation (Item No.3 & 4):**

## Item No.3

Smt. Urvashi Tilakdhar (DIN: 00294265), was re-appointed as a Director liable to retire by rotation at the AGM held on 08.09.2021. She is the Whole Time Director of the Company since 14.08.2019. She is involved in promoting social causes and has been on the Boards of the Promoter Group companies.

Brief particulars of Smt. Urvashi Tilakdhar are as follows:

Particulars	
Age	68 years
Qualification	P.G.(Sociology)
Experience	06 years
Other Directorships	- DCM Shriram Fine Chemicals Ltd. - Lily Commercial Pvt. Ltd. - Breinworks Services Pvt. Ltd.
Committee Membership/Chairmanship	CSR Committee of the Company – Member
Shareholding in the Company (Equity/Rs.2 each)	Nil Mrs. Urvashi Tilakdhar is part of the Promoter Group.
Original Date of Appointment	14.08.2019
Board Meetings attended in 2024-25	Attended all 6 meetings of the Board i.e. on 27.05.2024, 07.08.2024, 07.11.2024, 30.01.2025, 12.02.2025 and 28.03.2025.

#### Item No.4

Shri Manoj Kumar (DIN: 00072634), presently Non-Executive Director of the Company, was re-appointed on the Board as a Director liable to retire by rotation at the AGM held on 08.08.2022.

Shri Manoj Kumar belongs to a reputed business family of Delhi. He holds 75 equity shares of Rs. 2 in the Company. The Board of Directors considers that the Company will continue to benefit from his long and varied business experience and accordingly recommends his reappointment for approval.

Brief particulars of Shri Manoj Kumar are given below:

Particulars			
Age	60 years		
Qualification	IIM Ahmedabad	SMEP Certification (Residential)	1987
	Hindu College, Delhi University	Bachelors of Commerce (Hons)	1987
	Modern School, New Delhi		1984
Experience	<ul style="list-style-type: none"> <li>• Heading the Family Business of Trading of Cotton Fabrics</li> <li>• Trustee of Hindu College, Delhi University</li> <li>• Trustee of Lady Shri Ram College, Delhi University</li> <li>• Member of Rotary Club of Delhi Midtown</li> <li>• Trustee of Rtn. Naqshband Institute for Physically Challenged.</li> </ul>		
Other Directorships	<ul style="list-style-type: none"> <li>- Spicejet Limited</li> <li>- Spicexpress and Logistics Pvt. Ltd.</li> <li>- Select World Tours (India) Pvt. Ltd.</li> <li>- M R Ram Chand &amp; Co Pvt. Ltd.</li> <li>- Raghushree Sales Pvt. Ltd.</li> <li>- B H P C Clothing Pvt. Ltd.</li> </ul>		
Original Date of Appointment	27.06.2020		
Board Meetings attended in 2024-25	Attended all 6 meetings of the Board i.e. on 27.05.2024, 07.08.2024, 07.11.2024, 30.01.2025, 12.02.2025 and 28.03.2025.		
Committee Membership/ Chairmanship	CSR Committee – Member Stakeholder's Relationship Committee – Chairman (both of the Company)		
Present & Past Remuneration	Sitting Fee – Rs. 60,000 per Board meeting and Rs. 30,000 per Committee meeting alongwith Commission calculated based on profit.		

# DCM SHRIRAM INDUSTRIES LIMITED

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Smt. Urvashi Tilakdhar and Shri Manoj Kumar, being eligible, offer themselves for re-appointment as Directors liable to retire by rotation in terms of Section 152(6)(e) of the Companies Act, 2013. They confirmed that they were not disqualified u/s 164(2) of the Companies Act, 2013, to be appointed or to hold an office of directors in a company. As required under SEBI Listing Regulations, 2015, they have further confirmed that they are not debarred or disqualified from being appointed or from continuing to act as Directors of companies by any statutory authorities.

Considering their contribution to the growth of the Company, the Directors recommend the resolutions.

Except Smt. Urvashi Tilakdhar and Shri Manoj Kumar, none of the other Director or Key Managerial Personnel of the Company or their relative(s) are interested financially or otherwise in the resolutions.

***For remuneration last drawn in FY25 by the above Directors, please refer to the Corporate Governance Report which is a part of this Annual Report.***

27. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under Section 189 of the Companies Act, 2013 and relevant document referred to in this Notice of AGM and explanatory statement, will be available electronically for inspection. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to [investorservices@dcmsr.com](mailto:investorservices@dcmsr.com).
28. Since the AGM is being held through VC, the route map for the AGM venue is not attached.
29. Members may contact the Company or KFIN for conveying grievances, if any, relating to the conduct of the AGM, at the following address:

## **DCM Shriram Industries Limited**

'Investor Service Section'

5th Floor, Kanchenjunga Building,

18, Barakhamba Road, New Delhi – 110001

E-mail ID – [investorservices@dcmsr.com](mailto:investorservices@dcmsr.com)

Tel: 011-43745075

## **KFIN Technologies Ltd.**

Unit: DCM Shriram Industries Limited

Selenium Tower B, Plot 31-32

Financial District, Nanakramguda,

Serilingampally Mandal,

Hyderabad, Telangana – 500 032.

Toll Free No. 1800 309 4001

Email ID: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

WhatsApp No.: (91) 910 009 4099

## **Contact Persons:**

Shri. G S Nair

Shri Y D Gupta

Sr. Vice President

Company Secretary

## **Contact Person:**

Shri S. R. Ramesh,

Deputy Vice President - Corporate Registry

Investor Support Centre

KFINTECH Corporate Website

RTA Website

KPRISM (Mobile Application)

<https://kprism.kfintech.com/>

<https://www.kfintech.com>

<https://ris.kfintech.com>

<https://kprism.kfintech.com/signup>

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30. **Senior Citizens - Investor Support**

As part of the initiative, KFINTECH, in order to enhance the investor experience for Senior Citizens, a Senior Citizens investor cell has been newly formed to assist exclusively the Senior Citizens in redressing their grievances, complaints and queries. The special cell closely monitors the complaints coming from Senior Citizens through this channel and handholds them at every stage of the service request till closure of the grievance.

Senior Citizens wishing to avail this service can send the communication with the below details to the email id, [senior.citizen@kfintech.com](mailto:senior.citizen@kfintech.com). Senior Citizens (above 60 years of age) have to provide the following details :

1. ID proof showing Date of Birth
2. Folio Number
3. Company Name
4. Nature of Grievance

A dedicated Toll-free number for Senior Citizens can also be accessed at 1800-309-4006 for any queries or information.



# DCM SHRIRAM INDUSTRIES LIMITED

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## Annexure

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

#### **Item No.5**

The Board of Directors in its meeting held on 29.05.2025 appointed M/s. Ramanath Iyer & Co., Cost Auditors (Regn. No.13848), 808, Pearls Business Park, Netaji Subhash Place, Delhi – 110034 as Cost Auditors of the Company for the year 2025-26 at a remuneration of Rs. 2.20 lakh plus GST and out-of-pocket expenses as may be applicable, on the recommendation of the Audit Committee, pursuant to Section 148 of the Companies Act, 2013.

The above remuneration of the Cost Auditors, fixed by the Board for the financial year 2025-26 on the recommendation of the Audit Committee, is for ratification and confirmation by the shareholders as required under Rule 14 of the Companies (Audit & Auditors) Rules, 2014.

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

#### **Item No.6**

- The Company is required to appoint Secretarial Auditor(s) to conduct the Secretarial Audit of the Company as per Section 204 of the Companies Act, 2013.
- As per Regulation 24A of SEBI Listing Regulations, the appointment of Secretarial Auditors and their terms are to be approved by shareholders and the appointment shall be for a term of five years, renewable for a further term of five years.
- The Board of Directors has recommended the appointment of M/s. Chandrasekaran Associates (FRN P1988DE002500), the existing Secretarial Auditors as the Secretarial Auditors of the Company for a term of five years from 01.04.2025.
- M/s. Chandrasekaran Associates is a Peer Reviewed Company Secretary/Firm of Company Secretaries (Peer Review Certificate No. 6689/2025) and is eligible for appointment as the Secretarial Auditors of the Company.
- The Board of Directors considers from the past experience the appointment of M/s. Chandrasekaran Associates as the Secretarial Auditors of the Company would be in the best interests of the Company and its shareholders.
- Brief particulars of the Secretarial Auditors are as under:  
Name – Chandrasekaran Associates  
Address – 11F, Pocket 4, Mayur Vihar Phase 1, Delhi – 110091.  
Website – <https://www.cacsindia.com>  
Telephone – 011-22710514, 011-2713708, 011-43026310  
Email – [info@cacsindia.com](mailto:info@cacsindia.com)
- The firm comprises of Company Secretaries of long experience with reputation for carrying out assignments on professional manner.
- M/s. Chandrasekaran Associates are presently serving as the Secretarial Auditors for approximately 40 listed entities.
- Presently, the Secretarial Auditors are given a fees of Rs. 3 lakh plus GST and out of pocket expenses for Secretarial Audit and Annual Secretarial Compliance Certificates. It is proposed to authorise the Board to decide their fees considering the work involved on a year to year basis.
- M/s. Chandrasekaran Associates or any of its partner or employee is in no way related with the Company, its Directors or Senior Management.

The Directors have pleasure in presenting the Annual Report and the Audited Financial Statements of your Company for the year ended 31<sup>st</sup> March 2025 together with the Reports of the Auditors and the Board of Directors thereon.

## Economic scenario

The Indian economy continues to be a global growth leader, demonstrating a steady upward trajectory. This expansion is underpinned by a confluence of factors, including resilient domestic demand, strategic government investments in infrastructure development, and a progressive recovery in international trade.

Leading financial institutions, such as the International Monetary Fund (IMF) and the Reserve Bank of India (RBI), project India's economic growth at approximately 6.3% for the fiscal year 2025-26. Although this represents a marginal moderation compared to the preceding year's estimates, India's growth rate is poised to substantially outperform projected global averages, which stand at 2.8% and 3.0% for the comparable periods.

Global trade uncertainties, initially heightened by US-initiated tariff escalations, are showing signs of easing. There is an increasing recognition among nations, including the United States, of the complex economic interdependencies and potential repercussions of widespread tariff measures. Recent policy adjustments by the USA may indicate a pragmatic shift in approach, acknowledging the potential domestic impacts of sustained trade protectionism.

While significant geopolitical conflicts persist in the Middle East and Eastern Europe, our recent flare-up against terrorism, instigated by a neighboring state, shows signs of de-escalation. It is heartening to see our military and economic resilience to withstand such events. Fostering and maintaining peace are critical, not only for global economic recovery and stability but also for addressing urgent humanitarian concerns.

## Financial Summary

The Company reported a turnover of Rs. 2052 crore, compared to Rs. 2082 crore in the previous year. Gross profit was Rs. 194.29 crore, a slight decrease from Rs. 210.72 crore, while net profit also saw a modest decline to Rs. 100.30 crore from Rs. 114.94 crore.

## Appropriation and Dividend

The Board of Directors had declared an interim dividend of Rs.2 (100%) per equity share of Rs. 2 for the year 2024-25 in the Board meeting held on 28.03.2025, which was paid in April,2025. Considering the uncertainties posed by the geo-political conflicts and the adverse effect it may have in overall trade and as a conservative measure, the Board of Directors did not recommend any final dividend for the year.

The closing balance of the retained earnings of the Company, after accounting for the dividend for the year 2024-25, amounting to Rs. 679.62 cr, was carried forward in the P & L Account which includes the net profit of Rs. 100.30 cr for the year 2024-25 .

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

<https://dcmsr.com/wp-content/uploads/2022/08/Dividend-Distribution-Policy.pdf>

## Auditors' Report

There are no qualifications, reservations, adverse remarks or disclaimer in the Auditors' Reports to the Members on the Annual Financial Statements for the year ended on 31.03.2025.

The Auditors have not reported any fraud pursuant to Section 143(12) of the Companies Act, 2013.

## Secretarial Audit Report

M/s. Chandrasekaran Associates, Company Secretaries, carried out the Secretarial Audit for the year 2024-25 pursuant to Section 204 of the Companies Act, 2013. A copy of their Report in Form MR-3 as per Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as **Annexure – 1**. There is no qualification in the Report.

# DIRECTORS' REPORT (continued)

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## THE STATE OF COMPANY'S AFFAIRS

### Sugar

Global sugar consumption as projected by various agencies will be around 180.5 million MT in Sugar season (SS) 24-25 (Oct 2024 to Sept 2025) against production of 175.5 million MT, consequently the global deficit is expected in the range of 4-5 million MT for SS 24-25.

The global sugar market in 2025 is marked by both continuity and change, steady demand in emerging economies, mounting health concerns in mature markets, and the growing influence of regulatory policies and sustainability imperatives.

Net Sugar production in India is estimated at around 26.4 million MT in SS 24-25 against 31.96 million MT in SS 2023-24. Sugar diversion towards ethanol is expected to be around 3.50 million MT in SS 24-25 against 2.15 million MT in SS 23-24.

Domestic Sugar production during the 2024-25 season was primarily driven by a combination of factors, including the government's focus on ethanol production from sugarcane, sugarcane yield in key producing states, and weather-related phenomena affecting sugarcane growth.

Government allowed exports of 1 million tonnes of sugar for the SS 2024-25. This move came after restriction on sugar exports that had been in place since October 2023. The decision to allow exports helped the sugar mills to clear surplus stocks, stabilize domestic prices and paying the farmers' cane dues timely. Government's sugar import and export policies play a crucial role in balancing domestic supply and demand, stabilizing prices, and supporting the performance of the sugar industry.

The National Policy on Biofuels advanced the target of 20% blending of ethanol in petrol to Ethanol Supply Year (ESY) 2025-26 from ESY 2029-2030. During ESY 2024-25 the country already achieved the ethanol blending of 18% and is on track to achieve 20% in 2025-26. In addition, the government is planning to increase the ethanol blending target upto 30% by 2030. However, for going to 30% blending vehicle engines have to be modified, hence the matter is under study.

The National Policy on Biofuels permits use of surplus food grains for producing ethanol. This Policy also promotes and encourages use of feedstock such as corn, cassava, rotten potatoes, damaged food grains like broken rice, food grains unfit for human consumption, maize, sugarcane juice & molasses, agriculture residues etc. for producing ethanol.

The extent of utilization of individual feedstock for ethanol production will vary annually, influenced by factors such as availability, costs, economic feasibility, market demand, and policy incentives.

For SS 24-25, the Government increased the C heavy ethanol price for ESY 24-25 from Rs 56.58 per Ltr to Rs 57.97 per Ltr and kept the price of ethanol produced from B-heavy and Cane Juice/Syrup unchanged at Rs 60.73 per Ltr and Rs 65.61 per Ltr., respectively. The said increase assured sufficient availability of ethanol & sugar to meet the increased blending target and market demand for sugar.

The Central Government has announced the FRP for Sugarcane for the SS 2025-26 at Rs.355 per Qtl from existing price of Rs 340 per Qtl. State advised price applicable for U.P farmers remain unchanged at Rs 370 per Qtl for SS 24-25.

During FY 24-25, Daurala Sugar Works produced 21.16 lac Qtls of sugar by crushing 200.37 lac Qtls cane on C heavy basis. The sugar recovery at 10.56% in FY 24-25 is lower than 10.74% in FY 23-24, primarily attributed to cane diseases and weather conditions.

Daurala Sugar Works implemented a Bagasse saving project through process optimization during SS 24-25, resulting in more availability of inhouse bagasse and making the plant self-sufficient in agro fuel for captive consumption. The Unit has sufficient inventory of agro fuel in order to meet it's operational demand during offseason.

Coming to Distillery operations, Daurala Sugar Works produced 23521 KL of alcohol during FY 2024-25 lower than 30650 KL of Alcohol produced in FY 2023-24. The fall in production is mainly due to crushing on C heavy basis from last two seasons keeping in view the better profitability on Sugar realization. The Company

has also expanded the country liquor production capacity by installing another TETRA pack machine. It will also enable the Unit to captively consume maximum C heavy levy molasses in house and also improve the overall profitability.

## **Rayon**

The turnover showed a slight decline during the year due to global fall in automobile production, challenges posed by macro-economy and geopolitical environment. The most significant impact was in the last quarter of the financial year. Despite the lower volume, operating margins remained at reasonable level indicating the Unit's sustained operational strength.

Prices of raw materials and energy cost were higher during the year and are expected to go up from current levels during the current year. Efforts will be made to offset the impact through cost optimization, efficiency improvements and price adjustments wherever feasible.

The Unit also manufactures Nylon Chafer Fabric, which is mainly supplied to domestic tyre manufacturers, with a small portion exported to the international market. In addition, the Unit produces Carbon Disulphide (CS<sub>2</sub>), which is used both for captive consumption and sold in the domestic market. Both product lines continue to be well received, maintaining presence and reputation among customers.

The Unit's efforts in using agrofuel to replace fossil fuel has succeeded. More energy conservation measures are being adopted considering the increase in the cost of agrofuel.

The Unit has received appreciation and awards in the past from various forums for its highest exports in the segment, business excellence, and recognition as a best employer. This year too, the Unit received the Best Employer Award and achieved a major milestone, marking a decade of success.

Shriram Rayons continued to adhere to highest standards in quality and in management systems for which it was recognised by international certification bodies viz. Quality (ISO-9001:2015), Environment (ISO-14001:2015), Occupational Health and Safety Management Systems (ISO-45001-2018), International Quality in the automobile industry (IATF 16949:2016), Forest Stewardship Council's standards (FSC COC) and sustainability standard throughout the supply chain (ISCC PLUS). The Unit participated in assessment of sustainability by independent international bodies namely ECOVADIS and CDP (Carbon Disclosure Project).

The effluent and emission control facilities with real time monitoring are maintained and continuously upgraded to comply with the norms. All efforts are on to reduce, recycle and reuse the effluents.

## **Chemicals**

Despite an overall slowdown in the Chemical Sector, mainly in the first two quarters, and continued headwinds in the Agrochemical Sector, the chemical business remained relatively stable.

Two new capacities of Chloro Toluenes, commissioned by two competitors, one in Q1 and the other towards the end of Q4, further created pressure on the Unit's business.

The Unit's focus was to protect its market share by optimizing product mix strategies, continued focus on cost optimization and new derivative capacity expansion.

## **Engineering Projects**

Defence Equipment Manufacturing business has made further progress. We are now getting out of the R&D phase and manufacturing competent prototypes. The products are being appreciated for their technology and performance.

Light Bullet Proof Vehicles (LBPV), prototyping is complete on the new Ford Ranger platform and the vehicle has performed commendably in No Cost No Commitment trials of the Indian Army. Collaboration with Ford Motor Company, USA is working well. The Company is also collaborating with RMA, Thailand (Ford's Global Export Distributor) for sourcing of the spares and vehicles in SKD condition.

The investment and technology arrangement with Zyrone Dynamics, Turkiye (ZD) is on course. The Company has so far paid three tranches for subscription of 9797 shares representing 14.04% in ZD. On

# DIRECTORS' REPORT (continued)

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its part ZD commenced development of the Minimum Viable Product of Variable Volume Concept UAV Platform, which is in an advanced stage and is expected to be ready in a couple of months.

EPS has set up a full manufacturing and fabrication facility in Kota, Rajasthan. The facility is for manufacturing of Armoured Vehicles and Containers. The Kota facility is operational and has ISO 9001, ISO 14001, ISO 45001 and UL 142 Certifications. Western Global, USA use FCP range of fuel cubes (Containers) for safe storage of Flammable & Combustible fluids. We have received an order for seven loads of fuel cubes at Kota. Four loads have been dispatched. The team from Western Global has visited our facility and was impressed with our processes and quality.

The Company and Tadiran Telecom, Israel have signed an agreement to assemble IP Phones. The assembly of such phones has commenced.

The Company is continuously improving its products and aggressively pursuing sales in India and abroad. We have started supply of UAV components to the Defence organizations and to some educational institutions. We hope to continue participating in the tenders in the future.

## Material changes and commitments

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

## Subsidiary/ Associate Companies

The Company has three non-material wholly owned subsidiaries, viz. Daurala Foods & Beverages Pvt. Ltd., which is not carrying on any operations presently, DCM Shriram Fine Chemicals Limited (DSFCL), incorporated in September 2021 and DCM Shriram International Limited (DSIL), incorporated in September 2022, both of which are yet to commence business. DCM Hyundai Limited is an associate company. The required information regarding the performance and financial position of the subsidiaries and associate company are given in Form AOC - I as annexure to the Annual Financial Statements for the year ended 31.03.2025. There has been no change in relationship of subsidiaries/ associate company during the year.

## Scheme of Arrangement

The Board of Directors had approved a Composite Scheme of Arrangement which provides for the merger of Lily Commercial Private Limited, a Promoter Group investment company with the Company and transfer of two business verticals of the Company, viz. Chemicals and Rayons (including Engineering Projects Section) to DSFCL and DSIL, respectively. The draft Scheme, which has been cleared by BSE and NSE as required under listing Regulations, and also approved by the shareholders and unsecured creditors of the Company in Class meetings, is presently before the National Company Law Tribunal (NCLT) for approval as required under Section 230-232 of the Companies Act.

Upon merger of the investment companies of the Promoter Group into it, Lily Commercial Private Limited has become the Holding Company of DCM Shriram Industries Limited, effective from 08.03.2024.

## Annual Return

A copy of Annual Return for the year 2023-24, is available on the Company's web link <https://dcmsr.com/wp-content/uploads/2024/08/Annual-Return.pdf>. The Annual Return for the year 2024-25 will be uploaded after filing with the Registrar of Companies in due course.

## BOARD MEETINGS AND DIRECTORS

### Meetings of the Board

During the year 2024-25 six board meetings were held. The dates of the meetings, attendance, etc., are given in the Corporate Governance Report annexed hereto.

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## **Declaration u/s 149(6) of the Act**

All the Independent Directors (IDs) have given declarations u/s 149(6) of the Companies Act 2013 and Regulation 16(1)(b) of the SEBI Listing Regulations, confirming that they meet the criteria of independence as laid down under the said Section/ Regulation.

The Directors of the Company have also confirmed that they were not disqualified to be appointed as directors as per Section 164(2) of the Companies Act, 2013 and that they have not been debarred by SEBI or any other statutory authority to hold an office of director in a company.

## **Policy on Board Diversity**

The Board of Directors in its meeting held on 30.05.2016 had approved a Policy on Board Diversity, recommended by the Nomination & Remuneration Committee (NRC) as required under the SEBI Listing Regulations. A copy of the same has been posted on the Company's weblink –

<https://dcmsr.com/wp-content/uploads/2021/04/Policy-BoardDiversity.pdf>

## **Directors Appointment and Remuneration**

Appointment of directors on the Board of the Company, except nominee director, is based on the recommendations of the Nomination & Remuneration Committee. NRC identifies and recommends to the Board, persons for appointment on the Board, after considering the necessary and desirable competencies. NRC also considers positive attributes like integrity, maturity, judgement, leadership position, time and willingness, financial acumen, management experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, etc.

Independent Directors should fulfill the obligations of independence as per the Act and Regulation 25 of the SEBI Listing Regulations, 2015 in addition to the general criteria stated above. All the Independent Directors of the Company are enrolled in the Databank of IDs maintained by Indian Institute of Corporate Affairs, an entity under the Ministry of Corporate Affairs. Their registrations are renewed when due. It is ensured that a person to be appointed as a director has not suffered any disqualification under the Companies Act 2013 or any other law to hold such an office.

The directors of the Company are paid remuneration as per the Remuneration Policy of the Company, the gist of which is given under the heading 'Remuneration Policy' as part of this Report. The details of remuneration paid to the directors during the year 2024-25 are given in the Corporate Governance Report forming part of this Report.

## **Changes in Directors or KMPs**

There has been no change in the composition of the Board of Directors or KMPs during the year except that the term of office of Mrs. V. Kavitha Dutt (DIN:00139274) as an Independent Director ended on 01.02.2025, after completion of two consecutive terms of 5 years each. Considering her long association and contribution to the Company and the desirability of ensuring that the Company continues to have the benefit of Mrs. V. Kavitha Dutt's experience, the Board has appointed her as Non-executive and Non-Independent director w.e.f. 02.02.2025. Smt. Meenakshi Behara (DIN: 00289641) was appointed as an Independent Director w.e.f. 02.02.2025. Their appointments were approved by the shareholders through postal ballot/ e-voting.

Shri Manoj Kumar & Smt. Urvashi Tilakdhar, Directors, being longest in office, retire by rotation pursuant to Section 152(6) of the Companies Act, 2013 at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. Items are accordingly being included in the Notice for the ensuing Annual General Meeting for consideration and approval of the shareholders.

## **Annual Evaluation of Board and Directors**

As required under the Act and the SEBI Listing Regulations, 2015, evaluation of the performance of the Independent Directors, Non-Executive Directors, Board as a whole, Executive Directors, the Chairman and the Committees during the year 2024-25 was carried out by the Board of Directors, based on the criteria laid down by the NRC in the year 2017, in the meeting held on 28.03.2025. A copy of the 'criteria for evaluation' is annexed as **Annexure 2** hereto.



# DIRECTORS' REPORT (continued)

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Based on the criteria, the Board reviewed the performance of the Board as a whole, particularly structure, quality of deliberations in the meetings, functions, performance of the management and feedback etc. The Board also reviewed the performance of the Committees, Chairman and Directors. The Board's observations are as under:

- Appreciated the all-round performance and good results during the year 2024-25.
- The Board continued to adhere to highest standards in all areas, and the performance was constructive and met the test of objectivity in achieving the goals of the Company.
- The Committees carried out their functions according to the requirements mandated under the Companies Act/ SEBI Regulations, pursuant to which they were constituted, effectively. The Board particularly appreciated the Audit Committee which met regularly and acted as a watch dog in matters concerning finance, RPTs and internal financial controls.
- The directors individually including IDs have given very valuable inputs/ contribution in achieving the goals of the Company. It was noted that the Executive Directors continued to perform with utmost responsibility in achieving the operating targets and the IDs and other directors contributed by providing valuable inputs and guidance.
- The IDs individually and collectively functioned constructively in the best interest of and beneficial to the Company and the stakeholders.
- The IDs adhered to the Code of Independence as per Schedule IV of the Act and to the restriction regarding pecuniary relationship with the Company during the period under evaluation.

The IDs in a separate meeting held on the same day i.e, 28.03.2025 prior to the Board Meeting, reviewed and evaluated the performance of non-Independent Directors.

The IDs also reviewed the quality, quantity and timeliness of flow of information between the Company management and the Board, which are necessary for the Board to effectively and reasonably perform its duties.

The performance evaluation by the Board and the Independent Directors did not find any matter requiring follow up action except the delay in generating revenue by the Engineering Projects Section.

## Directors' Responsibility Statement

As required under Section 134(3)(c) of the Act, your Directors state that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## Internal Financial Controls

Acomprehensive and effective internal financial control system is followed by the Company at all its establishments. This is further strengthened by an internal audit process under the overall supervision of the Audit Committee of the Board. Services for internal audit are outsourced. Qualified and experienced professionals are engaged to ensure effective and independent evaluation of, inter alia, the internal financial controls.

The Audit Committee lays down the schedule for internal audit. Internal audit reports are placed before the Committee with management comments. Suggestions are implemented and reported to the Audit Committee.

Apart from the above, an effective budgeting and monitoring system is also in place. Budgets are reviewed by Audit Committee and approved by the Board. The operating results are compared and monitored with the approved budgets periodically. An Executive Committee comprising of senior management team meets every month, reviews all aspects of operations and chalks out remedial measures and strategies, regularly. Monthly operations review reports comparing budgets with actual performances are placed before the Executive Committee for internal assessment and also before the Board on a quarterly basis.

An effective communication/ reporting system operates between the Units, Divisions and Corporate Office to keep various establishments abreast of regulatory changes and ensure compliances.

To further strengthen the Internal Financial Controls and business transformation through digitization, the Company has implemented an advanced SAP S/4 HANA in all business segments, which is working well.

### **Loans, Guarantees and Investments**

The particulars of loans given by the Company are given in Note no.15 of the Standalone Financial Statements for the year ended 31.03.2025.

The Company has not made any investment or provided any guarantee covered u/s 186 of the Companies Act, 2013, during the year except surplus funds placed in liquid funds of Mutual funds on short term basis and the funds advanced to wholly owned subsidiaries viz. DCM Shriram Fine Chemicals Limited and DCM Shriram International Limited.

During the year, the Company had advanced funds for the acquisition of two properties for use by the Company to DCM Shriram International Limited, a wholly owned subsidiary. The Company also provided a Corporate Guarantee to a Bank to secure term loans sanctioned to the said wholly owned subsidiary for part financing the cost of the properties. Particulars of the advances and guarantees are given in Note No. 15 of the Standalone Financial Statements for the year ended 31.03.2025.

### **Related Party Transactions**

There has been no materially significant related party transactions between the Company and the Directors, Key Management Personnel, the subsidiaries, or the relatives except for those disclosed in the financial statements – Note No.45 of Notes to Accounts, which are at arm's length basis and not material. Accordingly, Form AOC -2 does not form part of this Report.

The Board had framed a Policy on Related Party Transactions which is revised in line with the legal requirements. A copy of the same is placed on the Company's weblink:

<https://dcmsr.com/wp-content/uploads/2025/02/Policy-on-Related-Party-Transactions.pdf>

### **CSR Activities**

Pursuant to Section 135 of the Companies Act 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time, an Annual Report on CSR activities in the prescribed proforma is annexed – **Annexure 3**. The Company was required to spent Rs.230.40 lakh, being 2% of the average net profits of the preceding 3 years during the year under review which has been fully utilized. The CFO has confirmed to the Board that funds mandated were spent as per approval of the CSR Committee and Board.

### **Risk Management**

As the Company has become one of the top 1000 companies, based on market capitalization (993) as on 31.03.2022, the Company, inter alia, was required to constitute a Risk Management Committee, comprising of Directors and Senior Personnel. Accordingly, the Board constituted a Risk Management Committee in the meeting held on 30.05.2022 and also laid down a Risk Management Policy as required under Regulation



# DIRECTORS' REPORT (continued)

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21 of SEBI Listing Regulations, on 08.08.2022. The Committee is required to oversee the implementation of risk management measures and report to the Board through Audit Committee. The Committee met twice during the year 2024-25.

The Board of Directors in its meeting held on 30.01.2006 undertook a comprehensive review of the risk assessment and minimization procedures/ policies followed by the Company at its various operations. While taking note of the same, the Board laid down that a half yearly status report of the risk assessment and steps taken to minimize the risks be placed before the Board. Such a report in respect of all the operations of the Company is now being placed before the Board through the Risk Management and the Audit Committees.

In view of the diversified business, there are no significant elements of risk, which in the opinion of the Board may threaten the existence of the Company.

The Board of Directors while reviewing the existing risk assessment procedures, laid down a Risk Management Policy.

## Public Deposits

Details relating to deposits, covered under Chapter V of the Companies Act 2013:

- i) Accepted during the year: - Nil
- ii) Remained unclaimed as at the end of the year: - Rs 29,98,000/-  
(There is no deposit claimed but not paid)
- iii) Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved-
  - a) At the beginning of the year
  - b) Maximum during the year
  - c) At the end of the year

} Nil
- iv) The details of deposits which are not in compliance with the requirements of Chapter V of the Act: - Nil

## Significant Material Orders Passed by Regulators or Courts or Tribunals

No significant orders have been passed by any Regulators, Courts or Tribunals during the year impacting the going concern status and Company's operations in future.

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

The required information as per Rule 8 (3) A, B & C of Companies (Accounts) Rules, 2014 is annexed – **Annexure 4 hereto.**

## REMUNERATION POLICY

The Board of Directors in its meeting held on 14.08.2014 had laid down a Remuneration Policy as recommended by the Nomination & Remuneration Committee (NRC) relating to remuneration of the Directors, Key Managerial Personnel (KMP), Sr. Management Personnel (SMP) and other employees of the Company. The Remuneration Policy is in accordance with Section 178 of the Companies Act 2013 and the Rules made there under. The Policy was revised by the Board in its meeting held on 12.02.2025 on recommendations of the NRC. The Remuneration Policy is posted on the Company's weblink.

<https://dcmsr.com/wp-content/uploads/2025/02/Remuneration-Policy.pdf>

The salient features of the Policy are given below:

### i. Guiding principle

The guiding principle of the Policy is that the remuneration and other terms of employment should effectively help in attracting and retaining committed and competent personnel. The remuneration packages are designed keeping in view industry practices and cost of living.

## ii. Directors

Non-executive directors are paid remuneration in the form of sitting fees for attending Board/ Committee meetings as fixed by the Board from time to time subject to statutory provisions. Presently sitting fee is Rs.60,000 per Board meeting and Rs.30,000 per Committee meeting. In addition, Non-executive Directors are paid commission on profits of up to 1% of the net profit of the Company, computed in the manner laid down u/s 198 of the Companies Act, 2013, in such amount and proportion as may be decided by the Board of Directors.

Remuneration of Executive Directors (Whole-time Directors) including Managing Director(s) is fixed by the Board of Directors on the recommendation of the NRC, subject to the approval of the shareholders. The NRC, while recommending the remuneration, considers pay and employment conditions in the industry, merit and seniority of the person and paying capacity of the Company. The remuneration, which comprises of salary, perquisites, performance-based reward/profit-based commission and retirement benefits as per Company Rules, is subject to the limits laid down under the Companies Act, 2013.

## iii. Key Managerial Personnel and Sr. Management Personnel

Appointment, remuneration and cessation of service of Key Managerial Personnel are subject to the approval of the NRC and Board of Directors. Appointment and cessation of service of Sr. Management Personnel are approved by the Senior Managing Director on the recommendation of the concerned Executive Director, keeping in view the Remuneration Policy.

## iv. Other employees

The remuneration of other employees is fixed from time to time by the Management as per the guiding principle laid down in the Remuneration Policy and considering industry standards and cost of living. In addition to salary, they are also provided perquisites and retirement benefits as per schemes of the Company and statutory requirements, where applicable.

## Managerial Remuneration

The information required as per Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 pertaining to remuneration of Directors, KMP and comparisons are annexed – **Annexure 5 hereto**. It is affirmed that the remuneration is as per the Remuneration Policy of the Company.

Statement of particulars of the top ten employees in terms of remuneration including employees who were in receipt of remuneration which was not less than Rs.102 lakh or more per annum in aggregate during the year 2024-25 is annexed as **Annexure 6 hereto**.

## Audit Committee

The Audit Committee presently comprises of four members, 3 IDs, one Non-Executive Director. Shri Harjeet Singh Chopra, (ID), is the Chairman and Shri Sanjay C. Kirloskar, Shri Suman Jyoti Khaitan, and Shri S.B. Mathur (non-ID) are Members. There was no instance of the Board not accepting the recommendation of the Audit Committee.

## Vigil Mechanism

Pursuant to Section 177 of the Companies Act 2013 and Regulation 22 of SEBI Listing Regulations, the Board of Directors, on the recommendation of the Audit Committee, adopted a Vigil Mechanism (Whistle Blower Policy). The revised Policy has been circulated among the employees and also has been put on the weblink of the Company: <https://dcmsr.com/wp-content/uploads/2021/04/whistleblower-policy.pdf>

The Policy provides a channel to the employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the code of conduct or policies. The mechanism provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases.

# DIRECTORS' REPORT (continued)

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## Share Capital

During the year, the Company has not issued any share capital with differential voting rights, sweat equity or ESOP nor provided any money to the employees or trusts for purchase of its own shares.

The Company has not made any public offer of shares during the year.

## Statutory Auditors

As per Section 139 of the Companies Act, 2013, a firm of auditors can be appointed as Statutory Auditors for two terms of five years each. Accordingly, the shareholders in their meeting held on 08.08.2022 had reappointed M/s. B S R & Co., LLP, Chartered Accountants, Gurugram (Firm Registration No.101248W/W100022), whose first term of 5 years expired at the conclusion of the AGM in 2022, for another term of 5 years to hold office till the conclusion of the AGM in the year 2027.

## Cost Auditors

M/s Ramanath Iyer & Co., Cost Accountants, (Regn No.13848), 808, Pearls Business Park, Netaji Subhash Place, Pitampura, Delhi – 110034, who were appointed as Cost Auditors of the Company for the year 2023-24, submitted the Cost Audit report, due for filing on or before 06.09.2024, to the Central Government on 21.08.2024. They have been re-appointed as Cost Auditors for the year 2024-25. A resolution for ratification of their remuneration for the year 2025-26, as required under the Companies Act, 2013, forms part of the Notice convening the ensuing AGM.

The Company maintains cost records as specified by the Central Govt. under sub- section (1) of Section 148 of the Companies Act, 2013.

## Succession Plan

The Board in its meeting held on 22.08.2017 had laid down a policy on Orderly Succession for Appointments to the Board and Senior Management . The policy can be accessed on the company website through <https://dcmsr.com/wp-content/uploads/2021/04/PMS.pdf>

## Corporate Governance

Reports on Corporate Governance and Management Discussion & Analysis are annexed – **Annexure 7.**

## Business Responsibility & Sustainability Reporting – 2024-25

The Business Responsibility & Sustainability Report for the year 2024-25 has been placed on the website of the Company as required under Regulation 34 of SEBI (LODR) Regulations, 2015. The link to the report is: <https://dcmsr.com/wp-content/uploads/2025/07/BRSR-2024-25-1.pdf>

## Anti-Sexual Harassment Policy

Pursuant to the “Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013”, the Company constituted Internal Complaints Committees at all its workplaces. There has not been any instance of complaint reported in this regard to any of the Committees during the year. The Committees were reconstituted effective from 01.07.2023 for 3 years.

The Company periodically review the policy and submit a status report annually to the Competent Authority under Section 22 of the said Act.

## Applicability of IBC Code

Neither any application was made, nor any proceedings were pending under the IBC Code during the year.

## One Time Settlements

The Company has not entered into any one-time settlement of debt during the year under review.

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**DISCLOSURE UNDER SECRETARIAL STANDARDS**

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

**Acknowledgment**

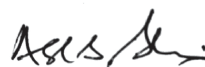
The Directors acknowledge the continued co-operation and support received from the Banks and various government agencies, and all our business associates.

The Directors also place on record their appreciation of the contribution made by employees at all levels. Their conduct and support are of utmost importance in achieving the Company's objectives targets.

For and on behalf of the Board



(Madhav B. Shriram)  
DIN: 00203521  
**Managing Director**



(Alok B. Shriram)  
DIN: 00203808  
**Sr. Managing Director & CEO**

Place: New Delhi  
Date: 29th May, 2025

# DIRECTORS' REPORT (continued)

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## Annexure-1

Form No. MR-3

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

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

The Members

#### **DCM SHRIRAM INDUSTRIES LIMITED**

Kanchenjunga Building,  
18, Barakhamba Road,  
New Delhi, Delhi, India, 110001

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2025 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

- (i) The Companies Act, 2013 (the 'Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of Regulation 76 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings to the extent applicable;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not applicable during the year under review;**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **Not applicable during the year under review;**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client to the extent of securities issued;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not applicable During the year under review; and**
  - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **Not applicable During the year under review;**

- (vi) The other laws, as informed and certified by the management of the Company which are specifically applicable to the Company based on their sector/ industry are:
- The Narcotic Drugs and Psychotropic Substances Act, 1985
  - Sugarcane Control Order, 1966
  - Sugar Control Order 1966:

We have also examined compliance with the applicable clauses/Regulations of the following:

- Secretarial Standards issued by The Institute of Company Secretaries of India and notified by Ministry of Corporate Affairs;
- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive, Non-Executive and Independent Directors. The change in the composition of the Board of Directors that took place during the period under review were carried out in compliance with applicable provisions/regulations of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013.

Adequate notice was given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance except in cases where meetings were convened at a shorter notice. The Company has complied with the provisions of Act for convening meeting at a shorter notice. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period, no specific events/actions took place having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

#### **For Chandrasekaran Associates**

Company Secretaries

Firm Registration No.: P1988DE002500

Peer Review Certificate No.: **6689/2025**

**Sd/-**

**Shashikant Tiwari**

Partner

Membership No. F11919

Certificate of Practice No. 13050

UDIN: F011919G000316300

Date: 12.05.2025

Place: Delhi

Note: This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

# DIRECTORS' REPORT (continued)

## Annexure-A

The Members

### DCM SHRIRAM INDUSTRIES LIMITED

Kanchenjunga Building,  
18, Barakhamba Road,  
New Delhi, Delhi, India, 110001

Our Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

### For Chandrasekaran Associates

Company Secretaries

Firm Registration No.: P1988DE002500

Peer Review Certificate No.: 6689/2025

Sd/-

**Shashikant Tiwari**

Partner

Membership No. F11919

Certificate of Practice No. 13050

UDIN: F011919G000316300

Date: 12.05.2025

Place: Delhi

## Annexure - 2

### Criteria for Evaluation of Board as a Whole by all Directors

Area of Evaluation	Criteria
a) <u>Structure of the Board</u>	i) Competency of Directors
	ii) Experience of Directors
	iii) Mix of qualifications
	iv) Diversity in Board under various parameters
	v) Appointment to the Board

b) <u>Meetings of the Board</u>	i) Regularity of meetings
	ii) Frequency
	iii) Logistics
	iv) Agenda
	v) Discussions and dissents
	vi) Recording of Minutes
	vii) Dissemination of information
c) <u>Functions of the Board</u>	i) Role and responsibilities of the Board
	ii) Strategy and performance evaluation
	iii) Governance and compliance
	iv) Evaluation of risks
	v) Grievance redressal for investors
	vi) Conflict of interest
	vii) Stakeholder value and responsibilities
	viii) Corporate culture and values
	ix) Review of Board evaluation
	x) Facilitation of Independent Directors
d) <u>Board and Management</u>	i) Evaluation of performance of the management and feedback
	ii) Independence of the management from the Board
	iii) Access of the management to the Board and Board access to the management
	iv) Secretarial support
	v) Fund availability
	vi) Succession plan
e) <u>Professional development:</u>	

### **Criteria for Evaluation of the Committees of the Board by all Directors**

<b>Area of Evaluation</b>	<b>Criteria</b>
a) <u>Mandate and composition</u>	Whether the mandate, composition and working procedures of Committees of the Board of directors are clearly defined and disclosed.
b) <u>Effectiveness of the Committees</u>	Whether the Committees have fulfilled their functions as assigned by the Board and laws as may be applicable.
c) <u>Structure of the Committee and meetings</u>	i. Whether the Committees have been structured properly and regular meetings are being held. ii. Whether in terms of discussions, agenda, etc. of the meetings, similar criteria laid down as specified above for the entire Board.
d) <u>Independence of the Committee from the Board</u>	Whether adequate independence of the Committee is ensured from the Board.
e) <u>Contribution to decisions of the Board</u>	Whether the Committees' recommendations contribute effectively to decisions of the Board.



# DIRECTORS' REPORT (continued)

## **Criteria for Evaluation of Individual Directors and Chairperson (including IDs and Executive Directors by the Board as a Whole)**

Area of Evaluation	Criteria
<u>General</u>	a) Qualifications
	b) Experience
	c) Knowledge and competency
	d) Fulfillment of functions
	e) Ability to function as a team
	f) Initiative
	g) Availability and attendance
	h) Commitment
	i) Contribution
	j) Integrity
<u>Additional criteria for IDs</u>	a) Independence
	b) Independent views and judgement
<u>Additional criteria for Chairperson</u>	a) Effectiveness of leadership and ability to steer the meeting
	b) Impartiality
	c) Commitment
	d) Ability to keep shareholders' interests in mind

## **Criteria for Evaluation of Individual Directors and Chairperson (excluding Independent Directors) by Independent Directors**

Area of Evaluation	Criteria
<u>General</u>	a) Qualifications
	b) Experience
	c) Knowledge and competency
	d) Fulfillment of functions
	e) Ability to function as a team
	f) Initiative
	g) Availability and attendance
	h) Commitment
	i) Contribution
	j) Integrity
<u>Additional criteria for Chairperson</u>	a) Effectiveness of leadership and ability to steer the meeting
	b) Impartiality
	c) Commitment
	d) Ability to keep shareholders' interests in mind
<u>Flow of information</u>	Assess the quality, quantity and timeliness of flow of information between the Company Management and the Board.

**REPORT ON CSR ACTIVITIES**

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs are provided at Point No. 3 below.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Alok B. Shriram	Sr. MD & CEO	2 (TWO)	2
2.	Madhav B. Shriram	MD		2
3.	Urvashi Tilakdhar	WTD		2
4.	Manoj Kumar	Non-Executive Director		2
5.	Harjeet Singh Chopra (w.e.f. 02.02.2025)	Independent Director		1
6.	Kamal Kumar (w.e.f. 08.08.2024)	Nominee Director		1

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

CSR Committee	<a href="https://dcmsr.com/investor-relations/#board-committees">https://dcmsr.com/investor-relations/#board-committees</a>
CSR Policy	<a href="https://dcmsr.com/wp-content/uploads/2021/04/CSR-policy.pdf">https://dcmsr.com/wp-content/uploads/2021/04/CSR-policy.pdf</a>
CSR Projects	<b>NA</b>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable – **N.A.**

S. No	Particulars	Amount (Rs.)
(a)	Average net profit of the company as per sub-section (5) of section 135	<b>115,20,41,761</b>
(b)	Two percent of average net profit of the company as per section 135(5)	<b>2,30,40,835</b>
(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	<b>1,45,097</b>
(d)	Amount required to be set off for the financial year, if any	--
(e)	Total CSR obligation for the financial year [(b)+(c)-(d)]	<b>2,28,95,738</b>

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Rs. 2,28,56,000**

(b) Amount spent in Administrative Overheads: **Rs.8,06,000**

(c) Amount spent on Impact Assessment, if applicable: **Not Applicable.**

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **Rs.2,36,62,000**

(e) CSR amount spent or unspent for the Financial Year:

(in Rs.)

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
<b>2,36,62,000</b>	NA	NA	NA	NA	NA

# DIRECTORS' REPORT (continued)

(f) Excess amount for set off, if any:

S. No	Particulars	Amount (Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per section 135(5)	<b>*2,28,95,738</b>
(ii)	Total amount spent for the Financial Year	<b>2,36,62,000</b>
(iii)	Excess amount spent for the financial year [(ii)-(i)]	<b>7,66,262</b>
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	<b>--</b>
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	<b>7,66,262</b>

**\*After adjusting Rs.1,45,097 spent in excess last year and set off this year.**

7. Details of Unspent CSR amount for the preceding three financial years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Balance Amount in Unspent CSR Account under sub- section (6) of section 135 (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount remaining to be spent in succeeding financial years. (in Rs.)		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency if any
					Amount (in Rs.)	Date of transfer		
1	2021-22	<b>NIL</b>						
2	2022-23	<b>NIL</b>						
3	2023-24	<b>NIL</b>						
	<b>Total</b>							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

☐ Yes ☒ No

If Yes, enter the number of Capital assets created/ acquired

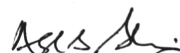
Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **Not Applicable**

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered address

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): **NOT APPLICABLE**



**(Madhav B. Shriram)**  
Managing Director  
DIN: 00203521



**(Alok B. Shriram)**  
Sr. Managing Director & CEO  
Chairman, CSR Committee  
DIN: 00203808

Date: 29.05.2025  
Place: New Delhi

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information as required under Section 134(3)(m) read with Rule 8(3) of Companies (Accounts) Rules, 2014

**A. CONSERVATION OF ENERGY**
**I. Steps taken and impact on conservation of energy :**

- Reduce steam consumption in production process to save biofuel.
- Installed BLDC (Brush less) ceiling fans.
- Installed energy efficient Pumps & Motors.
- Phase wise replacement of Existing lighting system with LED lighting system.
- Re-use of steam condensate.
- Modification in piping system to eliminate/reduce pumps running in Dipping & Power House.
- Replacement of old low efficiency class IE2 with IE3 high efficiency motors.
- Replacement of old vapor absorption machine by new energy efficient machine.
- Installation of cartridge type candle filter in place of centrifuge for soft water filtration for dissolving process.
- Reduction of steam & power consumption per kg. of product.
- VFD installed on some pumps to reduce power consumption.
- Automatic loading / unloading of brine compressors resulting in better temperature.
- Control and reduction in power wastage.
- New inverted bucket traps installed in process heating equipments for reduction in steam consumption.
- Continued replacement of the pipelines with FR thermoplast pipeline, thereby resulting in reduced friction loss i.e. reducing pumping power.
- Ongoing process of installation & replacement of ordinary Sodium & MV lamp lights by LED lights.
- Water conservation resulting in energy saving.

**II. Steps taken by the Company for utilizing alternate sources of energy:**

- Modification of evaporator system by installing modernized falling film evaporator bodies and recovering heat from the waste hot water.
- Utilization of agro waste pellets in place of coal in coal fired boiler.
- 100% Utilization of agro waste as a boiler fuel to the total fuel consumed.
- Harnessing of solar power 2.11 MW capacity.
- Usage of rice husk and wood chips as alternate fuel to mustard husk.

**III. Capital investment on energy conservation equipments : Rs. 33.49 Cr.**
**IV. Impact of the above measures :**

- Reduction in energy consumption.
- Reduction in cost.
- Reduction in consumption of natural resources.
- Improved sustainability of operations.
- Positive impact on environment.

**B. TECHNOLOGY ABSORPTION:**
**I. Efforts made towards technology absorption:**

- Production of different type of refined sugar to meet different requirement of major institutional buyers as well as international market buyers.
- Android based Mobile App has been developed for real time reporting of cane weighment at our centers. The same technology has been extended for accurate cane area surveys also.
- Centralized all key parameters & controls of sugar process operation in one control room for efficient monitoring.

# DIRECTORS' REPORT (continued)

- Strengthening of main stack chimney by use of FRP & carbon fiber wrapping to increase the life of chimney.
- Installation of VFD on all main exhaust fans at spinning in place of Star-Delta starter for smooth running of the energy equipment.
- Installation of Volute Press for sludge handling in ETP.
- Face recognition attendance system.
- STP technology changed from Moving Bed Biofilm Reactor (MBBR) to Membrane Bioreactor (MBR).
- Battery operated lashing/strapping tightening tool.
- Installation of Screw Chiller in place of reciprocating Chiller with eco-friendly refrigerant.
- Optimisation of continuous process for further increasing throughput.
- Development of new derivative of existing product at pilot scale.
- LBPV being manufactured by the Company are compliant to all the Central Motor Vehicle Rules and industry standards. We have all the statutory certifications for manufacturing of the vehicles.
- The Company is using battery operated drones and contributing to reducing the carbon foot print. Efforts are made to promote recyclable materials, reducing waste and reliance on new materials.

## II. Benefits derived like product improvement, cost reduction, product development or import substitution :

- Reduction in fuel cost by maximising bagasse usage in place of rice husk/ firewood.
- Pollution control. Energy Conservation, Quality Improvement, Time Saving, Cost Reduction, Reduction in breakdown, Safety, Better Capacity utilization, Increase production, New Product Development. Productivity Increase & Capacity Utilization, Sustainability improvement.
- LBPV Vehicles with the latest technology are fit for the Indian and export markets.
- In UAV we have refined the use of energy saving processes and using the knowhow for developing different category of UAV prototypes.

## III. Particulars of the technologies imported during last 3 years : ----

- Design and engineering technology for LBPV have been upgraded to be compliant to international standards.
- Received and absorbed the battery-operated drones technology for UAVs.

## IV. Expenditure incurred on Research and Development : Rs. 50.01 Cr.

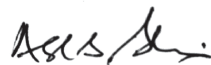
## C. FOREIGN EXCHANGE EARNINGS & OUTGO 2024-25 :

Total foreign exchange earned Rs. 590.98 Cr. and used Rs. 247.68 Cr.

For and on behalf of the Board



(Madhav B. Shriram)  
DIN: 00203521  
Managing Director



(Alok B. Shriram)  
DIN: 00203808  
Sr. Managing Director & CEO

**Information as per Rule 5 of the Companies (Appointment and  
Remuneration of Managerial Personnel) Rules, 2014**

1. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2024-25:
 

- Shri S.B. Mathur, Chairman	-	9:1
- Shri Alok B. Shriram, Sr.MD	-	127:1
- Shri Madhav B. Shriram, MD	-	127:1
- Smt. Urvashi Tilakdhar, WTD	-	127:1
- Shri Vineet Manaktala, Director Finance & CFO	-	24:1
- Smt. V. Kavitha Dutt, Non-Executive Director	-	8:1
- Shri Sanjay C. Kirloskar, Independent Director	-	7:1
- Shri Manoj Kumar, Non-Executive Director	-	6:1
- Shri Harjeet Singh Chopra, Independent Director	-	8:1
- Shri Suman Jyoti Khaitan, Independent Director	-	8:1
- Smt. Meenakshi Behara, Independent Director	-	1:1
- Shri Kamal Kumar , Nominee Director (LIC)	-	6:1
2. The percentage increase in remuneration of each Director, CFO and Company Secretary in the financial year 2024-25:
 

- Shri S.B. Mathur, Chairman	-	(6)
- Shri Alok B. Shriram, Sr.MD	-	(12)
- Shri Madhav B. Shriram, MD	-	(12)
- Smt. Urvashi Tilakdhar, WTD	-	(12)
- Shri Vineet Manaktala, Director Finance & CFO	-	13
- Smt. V. Kavitha Dutt, Non-Executive Director	-	(0.4)
- Shri Sanjay C. Kirloskar, Independent Director	-	8
- Shri Manoj Kumar, Non-Executive Director	-	(10)
- Shri Harjeet Singh Chopra, Independent Director	(w.e.f. 01.04.2024)	-
- Shri Suman Jyoti Khaitan, Independent Director	(w.e.f. 01.04.2024)	-
- Smt. Meenakshi Behara, Independent Director	(w.e.f. 02.02.2025)	-
- Shri Kamal Kumar , Nominee Director (LIC)	-	14
- Shri Y.D. Gupta, Company Secretary	-	10
3. Percentage increase in the median remuneration of employees in the financial year : 7.2
4. Number of permanent employees on the rolls of the Company : 2371
5. Average percentile increase in the remuneration of employees other than managerial personnel during the year 2024-25 was 7.9%, whereas the average percentile decrease in the managerial remuneration was 7.74%. The decrease in percentile is because of decrease in commission which is linked to profit.

# DIRECTORS' REPORT (continued)

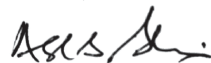
Three of the managerial personnel were entitled to commission on profits, as decided by the Board within the limit laid down by the shareholders, apart from salary and perquisites.

6. We affirm that the remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board



(Madhav B. Shriram)  
DIN: 00203521  
Managing Director



(Alok B. Shriram)  
DIN: 00203808  
Sr. Managing Director & CEO

Place: New Delhi

Date: 29th May, 2025

## Annexure - 6

**Statement of Particulars under Section 197(2) of the Companies Act, 2013 and the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 forming part of the Report of Directors for the year ended March 31, 2025.**

- A) Name of top ten employees and the name of every employee who if employed throughout the year under review and were in receipt of remuneration for the year in aggregate of not less than Rs.1,02,00,000/-

Name	Designation and nature of Duties	Remuneration Received (Rs.)	Qualification	Experience (years)	Date of commencement	Age (years)	Particulars of last employment.
Urvashi Tilakdhar	Whole Time Director	5,10,63,393	P.G.(Sociology)	06	14.08.2019	69	--
Madhav B. Shriram	Managing Director	5,10,63,364	B.Com. (Hons.), MBA	37	22.05.1990	60	Executive Trainee, Nissho Iwai
Alok B. Shriram	Sr. Managing Director & CEO	5,10,62,689	B.Com. (Hons.)	45	01.01.1990	64	Shriram Honda Power Equipment Ltd.
Vineet Manaktala	Director Finance & CFO	97,56,522	B.Com(Hons), M.Com CA	40	11.04.1995	62	Shriram Honda Power Products Ltd
Purushottam Das Bagla	Chief Operating Officer (BGR)	90,23,200	B.Sc, ICWA	44	15.11.1997	66	J.K. Synthetics
Sanjay Rastogi	Chief Operating Officer (DSW)	86,14,732	B.Sc, Sugar Tech.	37	23.09.1989	59	Mansoorpur Sugar Mills
Y.D. Gupta	Company Secretary & Sr. VP (Law & Taxation)	62,19,606	ICSI, ICMA, LLB	49	30.08.1976	69	Madan Mohan Lal Shriram Pvt. Ltd.

Sunjeev Gupta	VP (Commercial)	54,93,829	CA	34	21.04.1991	61	Rampur Distillery & Chemical Company Ltd.,
Rudra Shriram	President (EPS)	53,82,201	B.S. Economics	12	22.08.2013	34	KPMG Advisory Services
Kanika Shriram	President (BGR)	50,39,444	MA (Corp. Comn. & Marketing)	24	03.10.2011	40	Harley-Davidson Motor Co. India Pvt. Ltd.

Mr. Madhav B. Shriram is related to Mr. Alok B. Shriram.

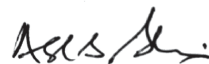
Ms. Kanika Shriram and Mr. Rudra Shriram are related to Mr. Alok B. Shriram

**B) Employed for part of the year under review and were in receipt of remuneration for part of the year in aggregate of not less than Rs.8,50,000/- per month - None**

For and on behalf of the Board



(Madhav B. Shriram)  
DIN: 00203521  
**Managing Director**



(Alok B. Shriram)  
DIN: 00203808  
**Sr. Managing Director & CEO**

Place: New Delhi

Date: 29th May, 2025

## **Annexure- 7**

### **CORPORATE GOVERNANCE REPORT**

#### **(A) Corporate Governance Philosophy**

A corporation's enduring success and growth hinge on the trust and acceptance it cultivates among shareholders and all stakeholders, including customers. To achieve this, businesses must build confidence through ethical conduct and transparent operations. Regulatory frameworks are also designed to support this aim, safeguarding investor confidence against potentially damaging corporate actions. Notably, the DCM group recognized the value of corporate governance practices over a century ago, even before they were mandatory. At DCM Shriram Industries Limited, we firmly believe that a business's purpose extends beyond mere profit generation but includes a commitment to giving back to the society that sustains it.

Well-established corporate governance practices are now integral to effective management. Every business, regardless of its sector, maintains a close connection with society. Comprehensive transparency is crucial for building and reinforcing stakeholder confidence. Indeed, robust corporate governance forms the bedrock upon which sustainable and successful enterprises are built. Adherence



# DIRECTORS' REPORT (continued)

to both mandatory regulations and voluntary guidelines set by regulatory bodies establishes clear benchmarks for transparency. However, corporate governance transcends not mere compliance; it necessitates building a bond of trust and a strong reputation with stakeholders and the wider society. Ultimately, sound corporate governance aims to enhance accountability and promote prudent management practices.

In essence, our Company's corporate governance philosophy centers on five key pillars: equitable treatment and protection of shareholder rights, safeguarding the interests of all stakeholders, clearly defined roles and responsibilities for the Board, unwavering integrity and ethical conduct at every level, and timely disclosure, transparency, coupled with environmental protection. We are committed to full compliance with the Corporate Governance requirements outlined in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations). Recognizing our environmental responsibility, we are actively working to reduce emissions in line with our targets for 2030. The Board of Directors is steadfastly committed to upholding the highest standards of corporate governance and establishing rigorous compliance policies to maintain the trust of all stakeholders.

The CG Report in respect of the year ended 31.03.2025 is given below:

## (B) Board of Directors (as on 31.03.2025)

The Company's Board comprised of an ideal combination of executive and non-executive directors, headed by a non-executive Chairman. Of the twelve (12) directors, four (4) were executive directors. Three (3) executive directors represented the promoters. Of the eight (8) non-executive directors, four (4) were independent directors, three (3) non-independent directors and one (1) nominee director, representing Life Insurance Corporation of India, an equity investor. All were persons of eminence with long experience in the fields of finance, law, trade or industry.

The Board's composition is in consonance with the CG requirements under Regulation 17 of the LODR Regulations and Section 149(4) of the Companies Act, 2013.

## Board Meetings, attendance and other directorships

During the year, Six (6) Board meetings were held in hybrid mode on 27.05.2024, 07.08.2024, 07.11.2024, 30.01.2025, 12.02.2025 and 28.03.2025. Attendance and other details are given below:

Sl. No	Name of Directors	DIN	Category of Directorship	No. of Board Meetings Attended	Attendance at last AGM	Other Directorships*	No. of Committee Memberships ** (other companies)	
							Member	Chairperson
1	Shri S.B. Mathur	00013239	Chairman (Non-Executive)	6	Yes	3	3	1
2	Shri Alok B. Shriram	00203808	Sr. MD & CEO (Promoter & Executive Director)	6	Yes	2	None	None
3	Shri Madhav B. Shriram	00203521	MD (Promoter & Executive Director)	6	Yes	None	None	None
4	Smt. Urvashi Tilakdhar	00294265	WTD (Promoter & Executive Director)	6	Yes	1	None	None
5	Shri Vineet Manaktala	09145644	Director Finance & CFO (Executive Director)	6	Yes	1	None	None

6	Shri Sanjay C. Kirloskar	00007885	Non-Executive Independent Director	6	Yes	2	2	1
7	Shri Manoj Kumar	00072634	Non – Executive Director	6	Yes	1	2	1
8	Smt. V. Kavitha Dutt	00139274	Non-Executive Director	6	Yes	7	3	1
9	Shri Suman Jyoti Khaitan	00023370	Non-Executive Independent Director	6	Yes	2	4	2
10	Shri Harjeet Singh Chopra	02564163	Non-Executive Independent Director	6	Yes	None	None	None
11	Smt. Meenakshi Behara (Appointed on 02.02.2025)	00289641	Non-Executive Independent Director	2	NA	None	None	None
12	Shri Kamal Kumar	10548701	Nominee Director, LIC	6	Yes	None	None	None

\* Excluded directorships in private limited companies / foreign companies / companies registered u/s 8 of the Companies Act, 2013

\*\*Only Audit and Stakeholders' Relationship Committees are considered.

The term of office of Mrs. V. Kavitha Dutt (DIN:00139274) as an Independent Director ended on 01.02.2025, after completion of two consecutive terms of 5 years each. Considering her long association and contribution to the Company and the desirability of ensuring that the Company continues to have the benefit of Mrs. V. Kavitha Dutt's experience, the Board has appointed her as Non-executive and Non-Independent director w.e.f. 02.02.2025. Smt. Meenakshi Behara (DIN: 00289641) appointed as Independent Director w.e.f. 02.02.2025. Their appointments were approved by the shareholders through postal ballot/ e-voting.

Shri Madhav B. Shriram and Shri Alok B. Shriram being brothers are related to each other. None of the other Directors are related to any other Director on the Board.

#### Details of Directorships in other listed entities:

S. No.	Name of Directors	Other Directorship in listed entities	Category of Directorship
1	Shri S. B. Mathur	Thomas Cook (India) Ltd.	Independent Director
2	Shri Alok B. Shriram	-----	-----
3	Shri Madhav B. Shriram	-----	-----
4	Smt. Urvashi Tilakdhar	-----	-----
5	Shri Vineet Manaktala	-----	-----
6	Shri Sanjay C. Kirloskar	Kirloskar Brothers Limited	Managing Director
7	Shri Manoj Kumar	Spicejet Limited	Independent Director
8	Smt. V. Kavitha Dutt	The KCP Limited	Managing Director
		Centum Electronics Limited	Independent Director
		Apollo Hospitals Enterprise Limited	Independent Director

# DIRECTORS' REPORT (continued)

9	Shri Suman Jyoti Khaitan	RSWM Limited	Independent Director
		OCCL Limited	Independent Director
10	Shri Harjeet Singh Chopra	----	----
11	Smt. Meenakshi Behara	----	----
12	Shri Kamal Kumar	----	----

**Meeting of Independent Directors:** A separate meeting of Independent Directors, pursuant to Schedule IV of the Companies Act, 2013 and Regulation 25 of the LODR Regulations, was held on 28.03.2025. In the said meeting the Independent Directors, inter alia, reviewed the performance of Executive Directors, Non-Executive Directors (other than Independent Directors), Chairman and the Board as a whole. All the Independent Directors attended the meeting.

Number of shares and convertible instruments held by Non-Executive Directors in the Company are as under:

S. No.	Name of Non-Executive Director	Number of shares held (Equity Shares of Rs. 2 each)
1	Smt. V. Kavitha Dutt	2500
2	Shri Manoj Kumar	75

No other Non-Executive Director hold any Equity Shares in the Company.

There are no convertible instruments in the Company, presently.

## The Familiarization programme for Independent Directors

The Board of Directors had laid down a Familiarization Programme for Independent Directors, copy of which is placed on the Company's website –

<https://dcmsr.com/wp-content/uploads/2023/05/Familiarization-Programme-for-Independent-Directors.pdf>

## Core Skills, expertise and competence of Board of Directors

The Board comprises of highly qualified and experienced members who possess required skills, expertise and competence which allow them to make effective contributions to the functioning of the Board and its Committees. The core skills/expertise/competencies required in the Board in the context of the Company's business to function effectively, as identified by the Nomination and Remuneration Committee and the Board of Directors of the Company, are tabulated below:

Name of Director	Core Skills / Expertise /Competencies				
	Leadership/Operational Experience	Strategic Planning	Sector/Industry Knowledge & Experience, R&D Innovation	Technology	Financial, Regulatory/ Legal & Risk Mgmt.
Shri S. B. Mathur	•	•	•	•	•
Shri Alok B. Shriram	•	•	•	•	•
Shri Madhav B. Shriram	•	•	•	•	•
Smt. Urvashi Tilakdhar	•	•	•	•	•
Shri Vineet Manaktala	•	•	•	•	•
Shri Sanjay C. Kirloskar	•	•	•	•	•
Shri Manoj Kumar	•	•	•	•	•
Smt. V. Kavitha Dutt	•	•	•	•	•

Shri Sanjay C. Kirloskar	•	•	•	•	•
Shri Suman Jyoti Khaitan	•	•	•	•	•
Shri Harjeet Singh Chopra	•	•	•	•	•
Shri Kamal Kumar	•	•	•	•	•

### Independent Directors

The Board of Directors confirms that in its opinion the Independent Directors fulfil the conditions specified in Section 149 read with Schedule IV of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (LODR) Regulations, 2015 and they are independent of the management.

None of the Independent Directors resigned before their tenure in the Company during the year under report.

### (C) Audit Committee

#### (i) Terms of reference

The composition, terms of reference and role of the Audit Committee are as per requirements of Regulation 18 of LODR Regulations and Section 177 of the Companies Act, 2013, besides other terms as may be laid down by the Board of Directors, from time to time.

#### (ii) Composition, Meetings and Attendance

The Audit Committee, inter alia, ensures that an effective internal financial control system is in place. During the year, four (4) meetings of the Audit Committee were held in hybrid mode on 27.05.2024, 07.08.2024, 07.11.2024 and 12.02.2025.

The Audit Committee as on 31.03.2025 comprised of four (4) members, all are Non-Executive Directors of which three (3) are Independent Directors. The Company Secretary is the Secretary of this Committee. The attendance at these meetings during the year was as follows:

Name of the Member	Status	No. of Meetings attended
Smt. V. Kavitha Dutt	Chairperson (Till 01.02.2025)	3
Shri Harjeet Singh Chopra	Chairman (From 02.02.2025)	4
Shri S.B. Mathur	Member	4
Shri Sanjay C. Kirloskar	Member	4
Shri Suman Jyoti Khaitan	Member	4
Shri Madhav B. Shriram	Member (Till 01.02.2025)	3

The Audit Committee was reconstituted on the restructuring of the Board composition, effective from 02.02.2025. All the Members have extensive financial and accounting knowledge/ background, and the Chairman is an expert in banking and financial management being a MBA Finance. Apart from the members, all the Executive Directors, CFO, Head of Internal Audit, and representative(s) of the Statutory Auditors attended the meetings of the Committee. All the members of the Audit Committee were present at the previous AGM held on 07.08.2024.

The Minutes of the meetings of the Committee are placed before the Board.

### (D) Nomination & Remuneration Committee

#### (i) Terms of Reference

The Nomination & Remuneration Committee (NRC) carries out the functions as per Section 178 of the Companies Act, 2013 and Regulation 19 of LODR Regulations.

# DIRECTORS' REPORT (continued)

## (ii) Composition, Meetings and Attendance

The NRC as on 31.03.2025 comprised of four (4) Non-Executive Independent Directors. The Company Secretary is the Secretary of this Committee. During the year two (2) meetings of the NRC were held on 27.05.2024 and 08.02.2025. The attendance at the meeting was as follows:

Name of the Member	Status	No. of Meetings attended
Shri Sanjay C. Kirloskar	Chairman	2
Shri S.B. Mathur	Member	2
Shri Manoj Kumar (Till 01.02.2025)	Member	1
Smt. V. Kavitha Dutt (Till 01.02.2025)	Member	1
Shri Suman Jyoti Khaitan	Member	2
Shri Harjeet Singh Chopra	Member	2

NRC was reconstituted effective from 02.02.2025 upon restructuring of the composition of the Board. All the Members of the NRC were present at the previous AGM held on 07.08.2024. The minutes of the meetings of the NRC are placed before the Board.

## (iii) Performance Evaluation Criteria

The NRC, inter alia, had laid down the criteria for evaluation of the Board, its Committees, Directors and the Chairperson based on Guidance note issued by SEBI on 05.01.2017. The criteria are followed by the Board and the Independent Directors in the evaluation process. A gist of the criteria is given in **Annexure 2** to the Directors' Report.

## (iv) Remuneration Policy

The Board on the recommendation of the NRC had laid down a Remuneration Policy for the Company in line with the requirements of Section 178 of the Companies Act, 2013. A gist of the policy has been given in the Directors' Report. A copy of the Policy has been put on the website of the Company – <https://dcmsr.com/wp-content/uploads/2021/04/remuneration-policy.pdf>

## (E) Stakeholders' Relationship Committee

The Committee monitors shareholders' complaints, if any, and also approves transfer/ transmission of physical shares. The Committee meets on need basis.

During the year one (1) meeting of the Committee was held on 28.03.2025, which was attended by all members. The composition of the Committee is as under:

Name of the Member	Status
Shri Manoj Kumar	Chairman
Shri Alok B. Shriram	Member
Shri S. B. Mathur	Member
Shri Madhav B. Shriram	Member
Shri Suman Jyoti Khaitan	Member

All the members of the Committee attended the previous AGM held on 07.08.2024. Shri Y. D. Gupta, Company Secretary is the Compliance Officer of the Company.

During the year 2024-2025, the Company had received Thirteen (13) shareholders' complaints all of which have been resolved to the satisfaction of the shareholders.

## (F) Risk Management Committee (RMC)

### (i) Terms of Reference

The Board had constituted a Risk Management Committee on 30.05.2022. The Committee comprises of six (6) Directors as on 31.03.2025. The terms of reference of the Risk Management Committee are in conformity with the provisions of Regulation 21 of LODR Regulations and includes monitoring and reviewing of risk management plan and reporting the same to the Board of Directors periodically as it may deem fit, through Audit Committee. In addition, the Committee may look to any other issue referred by the Board. The minutes of the RMC are placed before the Board.

### (ii) Meetings and Attendance

During the year two (2) meetings of the RMC were held on 31.07.2024 and 08.02.2025. The attendance at the meetings was as follows:

Name of the Member	Status	No. of Meetings attended
Shri Alok B. Shriram	Chairman	2
Shri Vineet Manaktala	Member	2
Shri Sanjay C. Kirloskar	Member	2
Shri Manoj Kumar	Member	2
Shri Harjeet Singh Chopra	Member	2
Shri Kamal Kumar (Appointed on 07.08.2024)	Member	1

## (G) Particulars of Sr. Management

S. No.	Name of Senior Management	Designation
1.	Shri Akshay Dhar	President (Business Group Chemicals)
2.	Smt. Kanika Shriram	President (Business Group Rayons)
3.	Shri Rudra Shriram	President (Engineering Project Section)
4.	Shri Rohan Shriram	Jt. President (Business Group Sugar & Alcohol)
5.	Shri Uday Shriram	Jt. President (Sugar Division) (w.e.f. 13.02.2025)
6.	Shri Sanjay Rastogi	Chief Operating Officer (DSW)
7.	Shri P. D. Bagla	Chief Operating Officer (Business Group Rayons)
8	Shri V. K Jaitly	CEO (Business Group Rayons) (Retired on 30.04.2024)
9.	Shri Girish Yagnik	Chief Operating Officer (Business Group Chemicals) (Resigned on 23.08.2024)

## (H) Remuneration of Directors

- (a) The criteria and details of pecuniary relationship and transactions of the Non-Executive Directors vis-à-vis the Company are given below:

Non-Executive Directors are paid sitting fees for attending the Board and Committee meetings. Presently the sitting fee is Rs. 60,000 per Board meeting and Rs.30,000 per Committee meeting. The shareholders in their meeting held on 10.08.2016 accorded their approval for payment of commission on profits of up to 1% of the net profit of the Company, computed in the manner laid down u/s 198 of the Companies Act, 2013, in such amount and proportion as may be decided by

# DIRECTORS' REPORT (continued)

the Board of Directors to Non-Executive Directors. The details of the sitting fee and commission paid for the year 2024-25 to Non-Executive Directors are given below: (Amount in Rs.)

Name of Non-Executive Director	Sitting fees (Rs.)	Commission (Rs.)
Shri S. B. Mathur	7,20,000	27,39,000
Smt. V. Kavitha Dutt	5,10,000	25,85,000
Shri Sanjay C. Kirloskar	5,40,000	24,29,000
Shri Manoj Kumar	5,70,000	19,64,000
Shri Harjeet Singh Chopra	8,10,000	24,29,000
Shri Suman Jyoti Khaitan	6,00,000	25,84,000
Smt. Meenakshi Behara (Appointed on 02.02.2025)	1,50,000	3,27,000
Shri Kamal Kumar (Payable to LIC)	4,20,000	19,64,000

There have been no other pecuniary relationships with the Non-Executive Directors vis-a-vis the Company during the year.

## b) Remuneration to Executive Directors

The details of remuneration of executive directors for the year ended 31.03.2025 are given below:

(Amount in Rs.)

Name of Executive Director	Salary	Commission/ Reward	Perquisites	Retirement benefits
Shri Alok B. Shriram (Sr. MD)	70,80,000	3,69,54,000	51,17,089	19,11,600
Shri Madhav B. Shriram (MD)	69,60,000	3,74,59,000	47,65,164	18,79,200
Smt. Urvashi Tilakdhar (WTD)	66,00,000	3,90,05,000	36,76,393	17,82,000
Shri Vineet Manaktala [Director Finance & CFO]	36,60,000	16,12,000*	34,96,322	9,88,200

\*For the year 2023-24.

The appointments are contractual in nature and can be determined by either party by giving notice as per their terms of appointment or lesser notice as may be agreed to. In the event of termination of appointment by the Company, the managerial personnel shall be entitled to compensation in accordance with the provisions of the Companies Act. No stock options were issued by the Company to its Directors/ Employees.

## (I) General Body Meetings

The last three Annual General Meetings (AGM) were held at New Delhi, as under:

Financial Year	Date	Time	Venue
2021-22	08/08/2022	11.00 AM	Video Conferencing (V.C.) / Other Audio Video Visual Means
2022-23	12/08/2023	11.00 AM	Video Conferencing (V.C.) / Other Audio Video Visual Means
2023-24	07/08/2024	11:00 AM	Video Conferencing (V.C.) / Other Audio Video Visual Means

The details of special resolutions passed in the previous three (3) Annual General Meetings are as under:

#### **AGM 2024**

One special resolution was passed in the last AGM held on 07.08.2024 regarding the reappointment of Smt. Urvashi Tilakdhar, Whole Time Director

#### **AGM 2023**

The following three special resolutions were passed in the AGM held on 12.08.2023

1. Reappointment of Shri Sanjay C. Kirloskar, Independent Director
2. Reappointment of Shri Alok B. Shriram, Sr. Managing Director & CEO
3. Reappointment of Shri Madhav B. Shriram, Managing Director

#### **AGM 2022**

No special resolution was passed in the AGM held on 08.08.2022.

#### **Class Meetings – 2025**

Special resolutions were passed through remote e-voting preceding the class meetings of shareholders and unsecured creditors of the Company held on 08.02.2025 pursuant to the order of the Hon'ble National Company Law Tribunal. The shareholders and unsecured creditors have by separate resolutions, approved the Composite Scheme of Arrangement with an overwhelming majority.

#### **Postal Ballot**

The Company has passed one (1) Special Resolution and one (1) Ordinary Resolution through Postal Ballot during FY 2024-25 as stated hereunder. Shri Swaran Kumar Jain (COP No.4906) Practicing Company Secretary was appointed as scrutinizer to conduct the Postal Ballot only through e- voting process fairly and transparently.

Pursuant to the provisions of Section 110 of Companies Act, 2013 and Companies (Management and Administration) Rules, 2014, postal ballot notice was sent by electronic means to those members whose name(s) appeared on the Register of Members / list of Beneficial Owners as received from National Securities Depository Limited (NSDL) /Central Depository Services (India) Limited (CDSL) as on cut-off date i.e. Monday, 10.02.2025.

Pursuant to the Companies (Management and Administration) Rules, 2014, the Company provided the facility to the members to exercise their votes through e-voting and the e-voting portal of KFIN remained open from Monday, 17.02.2025 (09.00 a.m.) to Tuesday, 18.03.2025 (05.00 p.m.).

The scrutinizer submitted his report on E-voting on 19.03.2025. On the basis of the scrutinizer's report, Sr. Managing Director declared the results of the postal ballot through e-voting and announced that the two resolutions in the Notice were duly passed by the requisite majority. The Results declared along with the Scrutinizer's Report were placed on the website of the Company i.e. [www.dcmsr.com](http://www.dcmsr.com) and on the website of e-voting agency "KFIN Technologies Limited" and simultaneously communicated to the Stock Exchanges.

The following are the resolutions passed through Postal ballot:

Sr. No.	Particulars
1	<b>Special Resolution</b> - Appointment of Smt. Meenakshi Behara (DIN: 00289641) as an Independent Director of the Company.
2	<b>Ordinary Resolution</b> - Appointment of Smt. V. Kavitha Dutt (DIN: 00139274) as a Non-Executive Director of the Company.



# DIRECTORS' REPORT (continued)

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## (J) Means of communication

The Company publishes quarterly, half-yearly and annual results as required under the SEBI (LODR) Regulations, 2015 in the prescribed format. The results are published in one English and one Hindi daily newspaper. During the year under review, the results were published in the "Financial Express" (English) and the "Jansatta" (Hindi). The unabridged version of the results is uploaded on the Bombay Stock Exchange Listing portal and National Stock Exchange, which is available on the websites of both Stock Exchanges. The results are also put on the Company's website <https://dcmsr.com/financial-results-annual-reports/#financial-results>. The Company has not released any official press note and has not made any presentation to the institutional investors or to the analysts during the year.

The notice of the AGM along with the Annual Report is sent to the shareholders well in advance of the AGM. In cases where the email IDs are notified the same is sent by email. The gist of the notice is also published in newspapers. In addition, the Stock Exchanges are notified of any material developments or price sensitive information as required under Regulation 30 of the LODR Regulations, whenever occur. Disclosures with regard to shareholding pattern, change in major shareholding, quarterly share capital audit report, CG compliance report, etc. are also sent to the Stock Exchanges as required under various Regulations. The Company has a website – [www.dcmsr.com](http://www.dcmsr.com) – in which general information about the Company, Code of Business Conduct and Ethics, Remuneration Policy, Shareholding Pattern, Related Party Transaction Policy, Quarterly/ Annual results, Code of Conduct framed under SEBI (Prohibition of Insider Trading) Regulations, 2015, etc. have been posted. Particulars of unclaimed dividends / deposits, etc. are also posted on the website for information of investors.

## (K) General Shareholder Information

- i. The ensuing AGM will be held on Tuesday, the 12.08.2025 at 11:00 A.M. through Video Conferencing / Other Audio Video Visual Means as permitted by the Ministry of Corporate Affairs.

The detailed procedures in this regard are given in the Notice for the e-AGM and also will be notified in newspapers.

- ii. **Financial Year:** The Company follows 1<sup>st</sup> April to 31<sup>st</sup> March as the financial year.
- iii. **Cut-off Date:** The cut-off date for deciding the entitlement for casting e-Vote is Friday, the 01.08.2025.
- iv. **Dividend**

An interim dividend of Rs. 2 per equity share of Rs. 2 each (100%) was declared by the Board on 28.03.2025 and paid on 22.04.2025, which absorbed Rs.17.39 cr. No final dividend was recommended by the Board considering the need for preserving resources to meet expected liabilities.

- v. **Investor Education and Protection Fund**

Pursuant to the applicable provisions of the Companies Act, 2013, read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, all unpaid or unclaimed dividend are required to be transferred by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government of India, under Section 125 of the Companies Act, 2013, after the completion of seven years from the date of transfer to Unpaid Dividend Account of the Company. Further, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall also be transferred by the Company in the name of IEPF.

Accordingly, during the year under review, the Company has transferred unclaimed dividend amount of Rs.50,53,178 pertaining to the financial Year 2016-17 (Final Dividend) on 30.09.2024 to the IEPF. The Company has also transferred 1,02,825 shares to the IEPF on 10.10.2024 on which dividends have not been claimed for seven consecutive years.

The unclaimed dividend for the financial year 2017-18 declared on August 11, 2018, along with the relative shares are due to be transferred to the IEPF in September, 2025. The same can,

however, be claimed by the Members by 31.08.2025. The details of such unclaimed dividend to be transferred are available on the Company's Website, [www.dcmsr.com](http://www.dcmsr.com).

Members who have not encashed the dividend warrant(s) from the financial year ended March 31, 2018 onwards may forward their claims to the Company's Registrar and Share Transfer Agents before these become due for transfer to the IEPF. The Company will send the notices to all such members in this regard and will also publish the same by way of newspaper advertisement.

The shares and unclaimed dividend once transferred to the IEPF can however be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The Member/Claimant is required to make an online application to the IEPF Authority in Form No. IEPF -5 (available on <https://www.mca.gov.in/content/mca/global/en/mca/iepf-related-services/IEPF-5.html>) along with requisite fees as prescribed by the IEPF Authority from time to time.

The following table gives information relating to outstanding dividend amounts and the month in which the amounts are due for transfer to IEPF:

(Amount in Rs.)

Financial Year	Date of Declaration of Dividend	Unpaid Amount	Due to be Transferred to IEPF Fund
<b>2017-18 (Final)</b>	11.08.2018	14,89,012	September, 2025
<b>2018-19 (Final)</b>	13.08.2019	18,03,246	September, 2026
<b>2019-20 (Interim)</b>	10.02.2020	16,68,225	March, 2027
<b>2020-21 (Interim)</b>	12.02.2021	15,34,911	March, 2028
<b>2020-21 (Final)</b>	08.09.2021	7,46,105	October, 2028
<b>2021-22 (Interim)</b>	14.02.2022	13,33,309	March, 2029
<b>2021-22 (Final)</b>	08.08.2022	7,02,316	September, 2029
<b>2022-23 (Interim)</b>	14.02.2023	12,05,152	March, 2030
<b>2023-24 (Interim)</b>	28.03.2024	29,94,442	May, 2031

#### vi. Listing on Stock Exchanges

The names of the stock exchanges at which Company's shares are listed as on 31st March, 2025 and details of "Scrip Code / Symbol" are as mentioned below:

Name of the Stock Exchange	SCRIP Code / Symbol
BSE Ltd.	523369
National Stock Exchange of India Ltd.	DCMSRIND

It is confirmed that the Company has paid Annual Listing Fees to the above Stock Exchanges within the prescribed time.

#### vii. No securities of the Company were suspended from trading during the year.

#### viii. Registrar and Share Transfer Agents and Share Transfer System

KFin Technologies Ltd. is the Share Transfer Agent of the Company, having the following addresses:

Selenium Tower B, Plot 31-32  
Gachibowli, Financial District  
Nanakramguda, Hyderabad – 500 032  
Phone 040-67161500/ 18003094001  
Email ID: [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)

New Delhi House, 305,  
3rd Floor, Barakhamba Road,  
New Delhi - 110001  
Phone 011-43681700

The shareholders/investors may also write to the Company at its Registered Office for any grievance/ share transfer related matters to enable the Company to get the matter sorted out expeditiously.

## DIRECTORS' REPORT (continued)

As mandated by SEBI, shares in the Company can be transferred /traded only in dematerialized form. Further, SEBI vide its circular dated 25.01.2022, mandated that all service requests for issue of duplicate certificates, claim from unclaimed suspense account, renewal/ exchange of share certificates, endorsement, subdivision/splitting/consolidation of certificates, transmission and transposition which were allowed in physical form should be processed in dematerialized form only. The necessary forms for the above requests are available on the website of the Company i.e. <https://dcmsr.com/wp-content/uploads/2023/05/Mandatory-Update-of-KYC.pdf> .

**Committee for issue of Duplicate Share Certificates-** The Board has constituted a Committee of three Directors to approve requests for issue of duplicate share certificates (entitlement letters) expeditiously against those reported lost, mutilated or untraceable.

### ix. Shareholding

#### A. Distribution of Shareholding as on 31st March, 2025

Category (Shares)	No. of Shareholders	% of shareholders	Total Shares	% of Shares
1 - 5000	61,106	98.84	1,36,30,821	15.67
5001 - 10000	367	0.59	27,25,092	3.13
10001 - 20000	180	0.29	25,07,884	2.88
20001 - 30000	59	0.10	14,67,248	1.69
30001 - 40000	27	0.04	9,39,564	1.08
40001 - 50000	26	0.04	11,97,191	1.38
50001 -100000	26	0.04	19,42,385	2.23
100001 and above	33	0.05	6,25,82,000	71.94
<b>TOTAL</b>	<b>61,824</b>	<b>100.00</b>	<b>8,69,92,185</b>	<b>100.00</b>

Included shares transferred to IEPF.

#### B. Shareholding Pattern as on 31st March, 2025

Category	No. of Shares held	% of Shareholding
Promoters	4,35,90,115	50.11
Insurance Companies, AIF, Banks, Mutual funds & Other Financial Institutions	69,04,844	7.94
Foreign Portfolio Investor	15,96,127	1.84
IEPF	28,20,354	3.24
Others (Public)	3,20,79,695	36.87
<b>TOTAL</b>	<b>8,69,92,185</b>	<b>100.00</b>

### x. Dematerialization of Shares

The shares in the Company are under compulsory dematerialized trading. Up to 31.03.2025, 857.71 Lakh out of 869.92 Lakh (98.59%) Equity Shares in the Company have been dematerialized. The Company's ISIN is **INE843D01027**.

### xi. Outstanding instruments

The Company has not issued any GDRs / ADRs and no convertible instrument is outstanding.

**xii. Plant locations**
**Daurala Sugar Works**

Daurala  
Meerut (U.P.)

**Shriram Rayons**

Shriram Nagar  
Kota (Raj.)

**Daurala Organics**

Daurala  
Meerut (U.P.)

**xiii. Address for correspondence with the Company**

‘Investor Service Section’

5th Floor, Kanchenjunga Building,  
18, Barakhamba Road, New Delhi – 110001  
CIN – L74899DL1989PLC035140  
E-mail ID – investorservices@dcmsr.com  
Tel: 011-43745000

**xiv. Credit Ratings**

Credit ratings obtained by the Company are as under:

Instrument	Rating	Remarks
Fixed Deposit	CARE A+ (RWN)	Placed on Rating Watch with Negative Implications#
Short term bank facilities	CARE A1+ (RWN)	Placed on Rating Watch with Negative Implications#
Long term facilities	CARE A+ (RWN)	Placed on Rating Watch with Negative Implications#

*#In view of the proposed Scheme of Arrangement for business restructuring.*

**xv. Other Disclosures**

- There have been no materially significant related party transactions that may have potential conflict with the interest of the Company at large.
- There has been no instance of non-compliance by the Company of any requirements related to capital markets during the last 3 years.
- The Board of Directors have established a Vigil Mechanism (Whistle Blower Policy) for the Company and no personnel have been denied access to the Audit Committee.
- The Company has complied with all mandatory requirements under CG Guidelines. Regarding non-mandatory requirements, the Company has endeavored to move towards a regime of financial statements with unmodified audit opinion. The Internal auditors’ reports are submitted to the Audit Committee, which interacts with them directly.
- The policy regarding determination of material subsidiary is available on the Company’s website <https://dcmsr.com/wp-content/uploads/2021/04/mspolicy.pdf>.
- The policy on dealing with related party transactions is available on the Company’s website <https://dcmsr.com/wp-content/uploads/2025/02/Policy-on-Related-Party-Transactions.pdf>. The Company has no material subsidiary.
- The Company is not engaged in commodity trading on the Commodity Exchange/s, except in Renewable Energy Certificate (REC).
- The Company has not raised any funds through preferential allotment / qualified institutions placement as specified under Regulation 32(7A) of the SEBI (LODR) Regulations, 2015 during the year 2023-24.
- A certificate from M/s. Chandrasekaran & Associates, Practicing Company Secretaries, confirm that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by SEBI / Ministry of Corporate Affairs, or any such statutory authorities.
- There has been no case where the Board did not accept any recommendation of any of the Committees of the Board.

## DIRECTORS' REPORT (continued)

- k) The total fees paid by the Company and its subsidiaries to the Statutory Auditors of the respective companies during the year 2024-25 are given below:

Auditors	Audit	Amount (in Rs. Lakh)
Company – BSR & Co. LLP	- Statutory Audit	98.00
	- Others	1.00
Wholly owned Subsidiary Daurala Foods & Beverages Pvt. Ltd. SR Dinodia & Co.	- Statutory Audit	0.71
	- Others	0.42
Wholly owned Subsidiary DCM Shriram Fine Chemicals Limited S C Kwatra & Co.	- Statutory Audit	1.00
	- Others	--
Wholly owned Subsidiary DCM Shriram International Limited BSR & Co. LLP	- Statutory Audit	1.24
	- Others	--

No other payment has been made to any entity which is linked to the above statutory auditors.

- l) No complaint was received under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- m) No loan or advances in the nature of loans were given to firms/ companies in which directors are interested during the year 2024-25, except to wholly owned subsidiaries as disclosed in the note 55 to the annual report.
- n) Disclosure of certain types of agreements binding listed entities: **None**
- o) During the year under review, no agreement covered under Regulation 30A of (LODR) Regulations, was entered into, requiring under Clause 5A of paragraph A of Part A of Schedule III of LODR Regulations.

The Company has complied with all the requirements of Corporate Governance and CG Report as per Regulations 17 to 27, 46 and Schedule V(C) of LODR Regulations so far as they apply to the Company.

### (L) Demat Suspense Account / Unclaimed Suspense Account

The position with regard to the unclaimed equity shares, transferred to the Demat Suspense Account as required under LODR Regulations, are as under:

Particulars	No. of Folios	No. of Shares
Outstanding shares in the suspense Account as on 01.04.2024.	185	12,200
Number of shareholders approached the Company for transfer of shares from suspense account during the year 2024-25.	1	500
Number of shareholders to whom shares were transferred from suspense account during the year 2024-25.	1	500
Shares transferred to IEPF as per IEPF Rules 2016 (for the year 2024-25) from suspense account.	36	1650
Outstanding shares lying in the suspense account at the end of 31.03.2025.	148	10,050

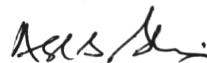
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The voting rights on the above shares remain frozen till the shares are released to the rightful owners.

For and on behalf of the Board



(Madhav B. Shriram)  
DIN: 00203521  
**Managing Director**



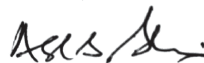
(Alok B. Shriram)  
DIN: 00203808  
**Sr. Managing Director & CEO**

Place: New Delhi  
Date: 29th May, 2025

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#### **Confirmation of Compliance of Code of Business Conduct and Ethics**

I declare that all the Board members, Key Managerial and Senior Management Personnel have individually affirmed compliance with the Code of Business Conduct and Ethics adopted by the Company during the year 2024-25.



**Alok B. Shriram**  
**Sr. Managing Director & CEO**  
**DIN: 00203808**

Dated: 29th May, 2025

# **DIRECTORS' REPORT** (continued)

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## **COMPLIANCE CERTIFICATE**

To,  
The Members of  
**DCM Shriram Industries Limited**

We have examined the relevant records of DCM Shriram Industries Limited, for the purpose of certifying compliance with the conditions of Corporate Governance for the year ended 31 March, 2025, as stipulated Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination has been limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Listing Regulations. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance to the further viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For K Singh and Associates**  
**Company Secretaries**

**Sd/-**  
**(KAMALJIT SINGH)**

**Membership No. F11335**

**C.P. NO 16847**

**UDIN: F011335G000493432**

**Peer Review no. 6002/2024**

**Place: Faridabad**

**Date: 29/05/2025**

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members  
**DCM SHRIRAM INDUSTRIES LIMITED**  
Kanchenjunga Building,  
18, Barakhamba Road,  
New Delhi, India -110001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **DCM SHRIRAM INDUSTRIES LIMITED** and having CIN: L74899DL1989PLC035140 and having registered office at Kanchenjunga Building, 18, Barakhamba Road, New Delhi, Delhi, India, 110001 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause (10) (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

S. No.	Name of Director	DIN	Original Date of appointment in the Company
1	Mr. Alok B. Shriram	00203808	01/04/1992
2	Mr. Madhav B. Shriram	00203521	05/10/2005
3	Mrs. Urvashi Tilakdhar	00294265	14/08/2019
4	Mr. Vineet Manaktala	09145644	01/07/2021
5	Mr. S.B. Mathur	00013239	01/04/2024
6	Mr. Manoj Kumar	00072634	27/06/2020
7	Mrs. Velagapudi Kavitha Dutt*	00139274	02/02/2025
8	Mr. Sanjay C. Kirloskar	00007885	01/09/2018
9	Mr. Harjeet Singh Chopra	02564163	01/04/2024
10	Mr. Suman Jyoti Khaitan	00023370	01/04/2024
11	Mrs. Meenakshi Behara	00289641	02/02/2025
12	Mr. Kamal Kumar	10548701	15/03/2024

*\*Mrs. Velagapudi Kavitha Dutt has completed her tenure as an Independent Director on 01.02.2025, further board has appointed her as a Non-executive and Non-independent director w.e.f. 02.02.2025.*

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our



# DIRECTORS' REPORT (continued)

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verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Chandrasekaran Associates**  
**Company Secretaries**

FRN: P1988DE002500

Peer Review Certificate No.: **6689/2025**

Sd/-

Shashikant Tiwari

Partner

Membership No. F11919

Certificate of Practice No. 13050

UDIN: F011919G000316344

Date: 12.05.2025

Place: Delhi

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## MANAGEMENT DISCUSSION AND ANALYSIS REPORT 2024-2025

The Company's business comprises of sugar, alcohol, co-generation of power, fine chemicals, industrial fibre and defence-related products. Its manufacturing facilities are located at Daurala (U.P.) and Kota (Rajasthan). Directors' Report gives segment-wise/ product-wise performance and outlook of these operations and also deals with internal financial controls, their adequacy, risks, and concerns.

The industry situation and competitive scenario of different segments of operations of the Company are given below:

### Sugar

Sugar production for Sugar Season (SS) 24-25 is estimated to be around 26.4 million MT (net of ethanol diversion) against 31.96 million MT in SS 23-24, which is approx. 17% lower. The factors contributing to this decline includes lower cane yields, increased diversion of sugar for ethanol production, and reduced sugar recovery.

India's domestic sugar outlook for 2025 is projected to be positive, since domestic sugar prices in India are expected to remain stable in 2025. The government export permissions have provided the much needed support to Domestic sugar prices. The sugar price strength is expected to provide a boost to sector's operating margins. The Country is expected to have ample stocks to meet domestic demand through the start of sugar season 2025-26.

### Sugar Industry Strengths, Weaknesses, Opportunities & Threats (SWOT):

#### Strengths

- **Diverse Geographical Presence:** The sugar industry is spread across various regions in India, reducing the impact of adverse weather conditions on production.
- **Skilled Labor Force:** India possesses a skilled labor force with expertise in sugarcane cultivation, harvesting, and processing, contributing to the efficiency of the industry.
- **Integrated Value Chain:** Many sugar mills in India have integrated operations, including sugar production, ethanol distillation, and power generation, allowing for optimization of resources and revenue streams.
- **Government Support:** The Indian government provides various subsidies, incentives, and price support mechanisms to the sugar industry, promoting its growth and stability.

## Weaknesses

- **Cyclical Nature:** The sugar industry is prone to cyclical fluctuations in prices and production due to factors like weather conditions, government policies, and global market trends.
- **Aging Infrastructure:** Much of the sugar processing infrastructure in India is outdated and in need of modernization, leading to inefficiencies and higher production costs.
- **Price Volatility:** Sugar prices in India are subject to significant volatility, influenced by factors such as global market trends, domestic demand-supply dynamics, and government intervention.
- **Dependency on Monsoons:** The Indian sugar industry heavily relies on monsoon rains for irrigation, making it vulnerable to fluctuations in rainfall patterns and droughts, affecting crop yields.

## Opportunities

- **Diversification:** The industry can explore opportunities for diversification by expanding into related sectors such as ethanol production, cogeneration of power, and value-added products like confectionery and beverages.
- **Export Potential:** With increasing global demand for sugar and related products, there is an opportunity for Indian sugar producers to explore export markets and capitalize on their competitive advantage in terms of cost and quality.
- **Technological Advancements:** Adoption of advanced technologies and modern farming practices can enhance productivity, reduce costs, and improve the overall efficiency of the sugar industry.
- **Government Initiatives for Ethanol Blending:** With the government promoting ethanol blending with petrol, there is a significant opportunity for the sugar industry to expand ethanol production, diversify revenue streams, and reduce dependence on sugar prices.

## Threats

- **Government Policies:** Changes in government policies related to pricing, subsidies, and import-export regulations can significantly impact the profitability and stability of the sugar industry.
- **Environmental Regulations:** Increasing environmental regulations and concerns about sustainability could pose challenges for the sugar industry, particularly in terms of water usage, land management, and waste disposal.
- **Disease Outbreaks:** Outbreaks of diseases affecting sugarcane, such as red rot or sugarcane mosaic virus, can significantly impact production and quality, leading to financial losses for the industry.
- **Weather Phenomena:** Weather phenomena, particularly El Nino, pose a significant threat to the sugar industry.

Considering the above SWOT analysis of sugar Industry over time, the Unit has strengthened its manufacturing capabilities through upgradation of technology, providing training, and specialization, thereby improving quality, output, efficiency, and environmental compliance.

Daurala Sugar Works' key areas of focus & strategy are highlighted below:

- Organic growth by increasing cane acreage.
- Cane development for the Company to increase yield and recovery thereby ensuring optimum capacity utilization.
- Value addition by exporting refined sugar and tapping institutional markets.
- Manufacturing country liquor instead of selling levy molasses.

## DIRECTORS' REPORT (continued)

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- Continuously optimizing operations and reducing energy consumption.
- Development of a talented diverse team.
- Ensuring backward and forward integration backed by sustainable practices. Introducing innovation and new technology.

### Rayons

Shriram Rayons is engaged in manufacturing and marketing of rayon tyre yarn, greige and treated fabric. The products are mainly used as reinforcement material in high performance tyres. The Unit is exporting the products to major international tyre manufacturers in various countries.

During the year, dispatched quantities were lower than initially projected based on customer response, due to a downturn in the automotive industry world-over coupled with prevailing geopolitical situation. However, the Unit was able to maintain healthy operating margin, though lower than the previous year.

The Unit continues to pursue growth in market share by securing additional approvals from both existing and prospective customers.

The Unit has the capability to supply treated fabric, a ready-to-use product that is widely preferred by tyre manufacturers. This capability has been further enhanced through the upgradation of the dipping facility, improving both efficiency and product quality. As a result, the share of treated fabric in total exports has seen significant growth, accounting for around 80% of the exported volume during the year.

Prices of some raw materials viz. caustic soda, sulphur and sulphuric acid etc. increased during the year. Further increase is expected in the coming period. The logistic cost had gone up due to increase in ocean freight arising out of red sea crisis and demand supply mismatch created for containers on imposition of custom duty by USA on import from China.

The rising price of agro-fuel is adding to increased energy costs, which are expected to remain a persistent challenge. To manage this, the Unit is actively exploring and adopting additional energy conservation measures.

Anticipating these developments, the Unit commissioned a 2.11 MW solar power plant, which is operating satisfactorily and supplementing both grid and captive power. In addition, steps have been initiated for the installation of a new 40 TPH boiler. This upgrade is expected to significantly enhance power generation and fuel efficiency, while also reducing reliance on grid power and effectively mitigating risks associated with supply interruptions. The new boiler is scheduled to become operational in 2026–27. To further support sustainable energy practices, the Unit has also taken steps to install a husk pellet machine for converting mustard husk into husk pellets. Key benefits include the separation of dust and stones during the manufacturing process, the ability to store pellets in bunkers, eliminating the need for continuous conveyor belt operation and reduced manpower requirements for fuel feeding compared to loose husk. Additionally, pellet manufacturing results in lower Suspended Particulate Matter (SPM) emissions, making it a more environmentally friendly fuel source for boiler operations.

Shriram Rayons continued its efforts to reduce, recycle and reuse water and achieved reduction in water consumption.

The Unit is continuously upgrading its monitoring and control systems for both effluent discharge and gas emissions. Effluent monitoring data is transmitted online in real time to the State and Central Pollution Control Boards, ensuring transparency and regulatory compliance.

Effluent treatment and pollution control remain priority areas for the Unit, reflecting its commitment to sustainable and environmentally responsible operations. The Unit has initiated steps for implementation of advanced treatment processes, including nanofiltration through membrane separation and indigenously developed chemical process to effectively manage and treat effluents streams.

The project pursued by the Engineering Project Section are evolving slowly by steadily. The Section has in the meantime, taken up fabrication of Fuel tanks for global customers and also assembling of IP phones for

Tadiran of Israel. The LBPV and UAV projects are in progress and some of the products are undergoing No Cost – No commitment (NCNC) trials with prospective customers.

### Chemicals

Cost optimization measures continued with effective raw material procurement strategies, inventory management.

Plans are being formulated for debottlenecking and capacity expansion for next year, as well as Research & Development and Market Studies to reduce future pressures on existing products.

Prevailing Geo-political scenarios since Q4 have necessitated a more active approach to short and medium term strategic reviews and planning to optimize results and minimize risks.

### Financial Ratios

Following are ratios for the current financial year and their comparison with preceding financial year:

Sl. No.	Ratio description	Unit	2023-24	2024-25	Change %
1	Debtors turnover	No. of times	8.04	7.96	-1.00
2	Inventory turnover	No. of times	1.79	1.59	-11.17
3	Interest coverage ratio	No. of times	6.93	6.47	-6.64
4	Current ratio	No. of times	1.21	1.27	4.96
5	Debt equity ratio	No. of times	0.64	0.58	-9.38
6	Operating profit margin	%	11.70	11.20	-4.27
7	Net profit margin	%	5.46	4.82	-11.72
8	Return on Net worth	%	14.50	11.34	-21.79

### Material Development in human resources/industrial relations front

The company's HR philosophy centers on the belief that a dedicated, enlightened, and contented workforce is essential for achieving business goals. We recognize that our employees are our greatest strength. Our HR focus is consistently on developing a skilled workforce capable of meeting present and future challenges. We actively recruit fresh and youthful talent across various disciplines with a long-term vision, and we are committed to addressing the needs of our employees as a cornerstone of our organization. The implementation of SAP has significantly improved data flow and accuracy, enhancing efficiency, particularly in the accounts and finance departments.

Throughout the year, industrial relations remained positive across all operations. As on 31.03.2025, the total number of employees on the company's payroll was 2371.

Corporate Social Responsibility is an integral part of our business policy. We undertake and support various activities in the communities where we operate to maximize the benefit of our CSR initiatives. These programs align with Schedule VII of the Companies Act, 2013. In the fiscal year 2024-25, the Company has spent Rs. 236.62 lakh.

### Environment protection

The Company is committed to our motto: "Green, breathe clean, stop polluting the environment, and save our planet." This aligns with the global call to address climate change. We prioritize environmental protection in all areas of our operations. Alongside installing state-of-the-art effluent treatment and waste disposal plants, we focus on tree plantation in Daurala and Kota to improve air quality and reduce greenhouse gas emissions. Our emphasis remains on using environmentally friendly agrofuels for power generation instead of fossil fuels. We have progressively shifted from fossil fuels to agrofuels.

## DIRECTORS' REPORT (continued)

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Notably, DSW has entirely discontinued the use of coal, and Shriram Rayons continues to significantly utilize agro-waste fuels in place of fossil fuels. We actively pursue research and innovation to find solutions that minimize emissions and maintain our environmental responsibility.

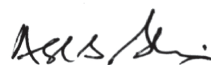
For and on behalf of the Board



(Madhav B. Shriram)

DIN: 00203521

**Managing Director**



(Alok B. Shriram)

DIN: 00203808

**Sr. Managing Director & CEO**

Place: New Delhi

Date: 29th May, 2025

**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 2025, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows 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 2025, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor’s Responsibilities for the Audit of the 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 reimbursable asset as at 31 March 2025 [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.	<p>We performed the following procedures in this regard:</p> <ul style="list-style-type: none"><li>• 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.</li><li>• Evaluated the design and tested the operating effectiveness of controls around the management’s assessment.</li><li>• Assessed the appropriateness of methods used, reliability of underlying data used for quantification of amounts.</li></ul>

# INDEPENDENT AUDITOR'S REPORT (continued)

**Determination of provision for contingencies and recoverability of reimbursable asset as at 31 March 2025 [see notes 16, 28 and 52 to standalone financial statements].**

Key audit matter	How the matter was addressed in our audit
<p>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.</p> <p>The Company has recognised a reimbursement asset based on a legal undertaking by such customer to indemnify the Company for any liability that may finally arise in the matter.</p> <p>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.</p>	<ul style="list-style-type: none"><li>• 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.</li><li>• 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.</li><li>• Examined management's assessment including discussions with in house legal team in respect of recoverability of recognized reimbursable asset.</li><li>• Examined the underlying agreement, indemnity arrangement, the independent confirmation received from the customer and evaluated the financial position of customer as regards the recognition of reimbursable asset.</li><li>• Evaluated the adequacy of disclosures made with respect to requirements of Ind-AS 37 regarding the matter.</li></ul>

## 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.



# INDEPENDENT AUDITOR'S REPORT (continued)

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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 01 April 2025 and 14 April 2025, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 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) of the Act 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 2025 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 2025.
  - 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 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 which included test checks, the Company has used an accounting software for maintaining its books of account, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the audit trail was not enabled at data base level for the period from 1 April 2024 to 19 March 2025 to log any direct data changes in respect of accounting software.

Further, for the periods where audit trail (edit log) facility was enabled and operated, we did not come across any instance of audit trail feature being tampered with. Additionally, the Company has preserved the audit trail from the date of its enablement in the accounting software

- 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

**Adhir Kapoor**

Partner

Membership No.: 098297

ICAI UDIN: 25098297BMUJLL5427

Place: New Delhi

Date: 29 May 2025

# INDEPENDENT AUDITOR'S REPORT (continued)

## Annexure A to the Independent Auditor's Report on the Standalone Financial Statements of DCM Shriram Industries Limited for the year ended 31 March 2025

(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 2025 (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 granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year. The Company has granted loans to employees and made investments, provided guarantee and granted loans to company, in respect of which the requisite information is as below. The Company has not made any investments in or granted any loans, secured or unsecured, to firms, limited liability partnership or any other parties.
- (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 or stood guarantee as below:

Particulars	Guarantee (Rs. in lakhs)	Loans (Rs. in lakhs)
Aggregate amount given during the year:		
- Subsidiary*	1,700.00	1,567.93
- Others (officers* and employees)	-	252.00
Balance outstanding as at balance sheet date:		
- Subsidiary*	1,700.00	587.94
- Others (officers* and employees)	-	293.26

\*As per the Companies Act, 2013

- (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, guarantee provided during the year, and the terms and conditions of the grant of loans and guarantee provided during the year are, 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 except for the interest free loan of Rs. 1,567.93 lakhs given to M/s DCM Shriram International Limited (wholly owned subsidiary) which is repayable on demand and has been received to the extent demanded during the year. Thus, there has been no default on the part of the party to whom the money has been lent. Further, the Company has not given any advance in the nature of loan to any other 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.

# INDEPENDENT AUDITOR'S REPORT (continued)

- (f) 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 not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for loan to related party of Rs. 587.93 lakhs which is repayable on demand and is 66.72% of the total loans as defined in Clause(76) of section 2 of the Companies Act, 2013 ("the Act").
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantee given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("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, the undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and 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 2025 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	2,441.20	2018-19	Income Tax Appellate Tribunal	-
Central Excise Act, 1944	Excise Duty	3.22	1995- 96	CESTAT	-

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	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	-
Central Excise Act, 1944	Excise Duty	5.70	June 2017	CESTAT	-
GST Act, 2017	GST	1.78	2017-18	Additional Commissioner	1.78
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	2,394.81
GST Act, 2017	GST	55.30	2020-21	Deputy Commissioner	-

\*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 standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the 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.

# INDEPENDENT AUDITOR'S REPORT (continued)

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- (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) During the course of our 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 year.  
(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(ix) 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

**Adhir Kapoor**  
Partner  
Membership No.: 098297  
ICAI UDIN: 25098297BMUJLL5427

Place: New Delhi  
Date: 29 May 2025



# **INDEPENDENT AUDITOR'S REPORT** (continued)

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**Annexure B to the Independent Auditor's Report on the standalone financial statements of DCM Shriram Industries Limited for the year ended 31 March 2025**

**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 2025 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 2025, 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

**Adhir Kapoor**  
Partner  
Membership No.: 098297  
ICAI UDIN: 25098297BMUJLL5427

Place: New Delhi  
Date: 29 May 2025

# DCM SHRIRAM INDUSTRIES LIMITED

## Standalone Balance Sheet as at March 31, 2025

Particulars	Note	As at March 31, 2025 Rs. lakhs	As at March 31, 2024 Rs. lakhs
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	60,911.85	58,667.52
Capital work-in progress	3	330.02	684.18
Right-of-use assets	40	1,075.01	1,485.53
Intangible assets	4	89.61	155.89
Financial assets			
(i) Investments	5	4,470.15	3,671.79
(ii) Loans	6	277.43	35.82
(iii) Other financial assets	7	502.78	588.27
Income-tax assets (net)	8	1,035.64	2,344.65
Other non-current assets	9	7,027.85	5,850.88
<b>Total non-current assets</b>		<b>75,720.34</b>	<b>73,484.53</b>
<b>Current assets</b>			
Inventories	10	78,795.30	73,954.47
Financial assets			
(i) Investments	11	2,794.59	3,358.92
(ii) Trade receivables	12	23,988.08	27,587.24
(iii) Cash and cash equivalents	13	3,332.43	1,876.40
(iv) Bank balances other than (iii) above	14	3,805.29	1,186.26
(v) Loans	15	603.77	19.73
(vi) Other financial assets	16	35,724.36	33,484.77
Other current assets	17	2,871.32	2,840.53
Asset held for sale	56	-	33.87
<b>Total current assets</b>		<b>1,51,915.14</b>	<b>1,44,342.19</b>
<b>TOTAL ASSETS</b>		<b>2,27,635.48</b>	<b>2,17,826.72</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	18	1,739.84	1,739.84
Other equity	19	86,246.16	78,006.18
<b>Total equity</b>		<b>87,986.00</b>	<b>79,746.02</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	20	3,465.68	3,553.44
(ii) Lease liabilities	40	776.53	1,136.19
(iii) Other financial liabilities	21	6,954.37	5,771.27
Provisions	22	1,318.62	1,102.14
Deferred tax liabilities (net)	38	7,809.86	7,599.96
Other non-current liabilities	23	27.05	21.54
<b>Total non-current liabilities</b>		<b>20,352.11</b>	<b>19,184.54</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	24	47,522.61	47,682.37
(ii) Lease liabilities	40	437.69	531.21
(iii) Trade payables	25		
-Total outstanding dues of micro enterprises and small enterprises;		1,805.13	1,309.68
-Total outstanding dues of creditors other than micro enterprises and small enterprises		27,839.67	30,370.78
(iv) Other financial liabilities	26	5,129.09	5,557.55
Other current liabilities	27	1,496.54	1,450.52
Provisions	28	34,439.39	31,288.08
Current tax liabilities (net)		627.25	705.97
<b>Total current liabilities</b>		<b>1,19,297.37</b>	<b>1,18,896.16</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,27,635.48</b>	<b>2,17,826.72</b>
<b>Material Accounting Policies</b>	2A		

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

<b>As per our report of even date attached</b>	<b>For and on behalf of the Board of Directors DCM Shriram Industries Limited</b>	
<b>For B S R &amp; Co. LLP</b>	<b>Vineet Manaktala</b>	<b>S.B. Mathur</b>
Chartered Accountants	Director Finance & Chief Financial Officer	Chairman
ICAI Firm Registration no.:	DIN: 09145644	DIN: 00013239
101248W/W-100022	<b>Alok B. Shriram</b>	<b>Madhav B. Shriram</b>
	Sr. Managing Director	Managing Director
	DIN: 00203808	DIN: 00203521
<b>Adhir Kapoor</b>	<b>Y.D. Gupta</b>	<b>Urvashi Tilakdhar</b>
Partner	Vice President & Company Secretary	Wholtime Director
Membership No.: 098297	Membership No.: 3405	DIN: 00294265
Place: New Delhi	Place: New Delhi	
Date: May 29, 2025	Date: May 29, 2025	

**DCM SHRIRAM INDUSTRIES LIMITED****Statement of Standalone Profit and Loss for the year ended March 31, 2025**

Particulars	Note	For the year ended March 31, 2025 Rs. lakhs	For the year ended March 31, 2024 Rs. lakhs
Revenue from operations	29	2,05,158.98	2,08,290.18
Other income	30	3,060.59	2,161.32
<b>Total Income</b>		<b>2,08,219.57</b>	<b>2,10,451.50</b>
<b>Expenses</b>			
Cost of materials consumed	31	1,24,383.75	1,30,302.11
Purchase of traded goods	32	-	5,713.42
Changes in inventories of finished goods and work-in-progress	33	(2,609.11)	(13,152.74)
Employee benefits expense	34	20,236.04	19,410.57
Finance costs	35	3,538.24	3,556.45
Depreciation and amortisation expense	36	3,986.44	3,887.72
Other expenses	37	43,241.27	43,549.78
<b>Total expenses</b>		<b>1,92,776.63</b>	<b>1,93,267.31</b>
<b>Profit before tax</b>		<b>15,442.94</b>	<b>17,184.19</b>
<b>Tax expense</b>			
Current tax	38	5,176.32	5,341.78
Deferred tax	38	236.78	348.29
		<b>5,413.10</b>	<b>5,690.07</b>
<b>Profit for the year</b>		<b>10,029.84</b>	<b>11,494.12</b>
<b>Other comprehensive (loss) / income</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement (loss) / gain on defined benefit obligation		(76.89)	108.93
Income tax pertaining to items that will not be reclassified to profit or loss		26.87	(38.07)
<b>Total other comprehensive (loss) / income, net of taxes</b>		<b>(50.02)</b>	<b>70.86</b>
<b>Total comprehensive income for the year, net of taxes</b>		<b>9,979.82</b>	<b>11,564.98</b>
<b>Earnings per equity share of Rs. 2 each- basic/ diluted (Rs.)</b>	43	<b>11.53</b>	<b>13.21</b>

**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 &amp; Co. LLP

Chartered Accountants

ICAI Firm Registration no.:

101248W/W-100022

Adhir Kapoor

Partner

Membership No.: 098297

Place: New Delhi

Date: May 29, 2025

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

Vineet Manaktala

Director Finance &amp; Chief Financial Officer

DIN: 09145644

Alok B. Shriram

Sr. Managing Director

DIN: 00203808

Y.D. Gupta

Vice President &amp; Company Secretary

Membership No.: 3405

Place: New Delhi

Date: May 29, 2025

S.B. Mathur

Chairman

DIN: 00013239

Madhav B. Shriram

Managing Director

DIN: 00203521

Urvashi Tilakdhar

Wholtime Director

DIN: 00294265

# DCM SHRIRAM INDUSTRIES LIMITED

## Statement of Standalone Changes in Equity for the year ended March 31, 2025

### A. Equity share capital

Particulars	Rs. lakhs
Balance as at April 1, 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
Changes in equity share capital during the year ended March 31, 2025	-
Balance as at March 31, 2025	1,739.84

### B. Other equity

(Rs. lakhs)

Particulars	Reserve and surplus					Total
	Amalgamation reserve	General reserve	Capital redemption reserve	Securities Premium	Retained Earnings	
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	-	-	-	-	(1,739.84)	(1,739.84)
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
Balance as at April 1, 2024	1,411.38	13,465.60	0.10	3,406.68	59,722.42	78,006.18
Profit for the year	-	-	-	-	10,029.84	10,029.84
Other comprehensive (loss) for the year net of tax	-	-	-	-	(50.02)	(50.02)
Total comprehensive income for the year net of tax	-	-	-	-	9,979.82	9,979.82
Transactions with shareholders, recorded directly in equity	-	-	-	-	-	-
Distribution to shareholders	-	-	-	-	(1,739.84)	(1,739.84)
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, 2025	1,411.38	13,465.60	0.10	3,406.68	67,962.40	86,246.16

### 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 B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration no.:

101248W/W-100022

Adhir Kapoor

Partner

Membership No.: 098297

Place: New Delhi

Date: May 29, 2025

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

Vineet Manaktala

Director Finance & Chief Financial Officer

DIN: 09145644

Alok B. Shriram

Sr. Managing Director

DIN: 00203808

Y.D. Gupta

Vice President & Company Secretary

Membership No.: 3405

Place: New Delhi

Date: May 29, 2025

S.B. Mathur

Chairman

DIN: 00013239

Madhav B. Shriram

Managing Director

DIN: 00203521

Urvashi Tilakdhar

Wholtime Director

DIN: 00294265

	For the Year ended March 31, 2025 Rs. Lakhs	For the Year ended March 31, 2024 Rs. Lakhs
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	15,442.94	17,184.19
Adjustments for :		
Depreciation and amortisation	3,986.44	3,887.72
Finance costs	3,538.24	3,556.45
Interest income	(398.47)	(130.26)
Interest income against subvention	(65.98)	(210.94)
Interest on income tax refund	(741.10)	-
Gain on sale of property, plant and equipment / discarded assets (net)	(22.45)	(11.42)
Gain on disposal of non-current asset held for sale	(81.13)	-
Provisions/liabilities no longer required written back	(222.72)	(109.16)
Profit on sale of current investments	(80.01)	(137.62)
Net gain on fair value of investments	(160.42)	(97.88)
Operating profit before changes in assets and liabilities	21,195.34	23,931.08
Changes in assets and liabilities		
(Decrease) / increase in trade payables	(1,812.95)	4,207.05
Increase in financial liabilities	768.87	152.71
Increase in other liabilities and provisions	3,342.43	4,353.21
Decrease / (increase) in trade receivables	3,599.16	(3,363.02)
Increase in inventories	(4,840.83)	(10,471.55)
Increase in financial assets	(2,421.24)	(6,679.05)
Increase in other assets	(1,196.71)	(1,002.80)
Cash generated from operations	18,634.07	11,127.63
Income tax paid (net)	(3,204.93)	(3,435.12)
Net cash from operating activities ( A )	15,429.14	7,692.51
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure on acquisition of items of property, plant and equipments and intangible assets, including capital work in progress	(5,514.98)	(3,497.60)
Proceeds from sale of property, plant and equipments and intangible assets	375.47	161.99
Investments in mutual fund (net)	(2,149.89)	(3,474.83)
Advance to wholly owned subsidiary for share capital	(798.36)	(411.28)
Proceeds from sale of current investments	2,954.64	3,186.76
Changes in bank deposit	25.88	(87.41)
Changes in other bank balances	(2,619.03)	(437.25)
Interest received	398.47	183.74
Loan given to subsidiary	(1,567.94)	-
Loan repaid by subsidiary	980.00	-
Net cash (outflow) in investing activities (B)	(7,915.74)	(4,375.88)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long term borrowings	2,567.86	900.00
Repayment of long term borrowings	(4,917.74)	(6,928.38)
Proceeds from short term borrowings (net)	2,131.41	8,054.30
Repayment of lease liabilities	(553.36)	(508.27)
Payment of Inter Corporate deposit	-	-
Finance costs paid (Net of subvention)	(3,522.08)	(3,379.83)
Dividend paid	(1,763.46)	(52.50)
Net cash (used in) financing activities (C)	(6,057.37)	(1,914.68)
Net increase in cash and cash equivalents (A+B+C)	1,456.03	1,401.95
Cash and cash equivalents at the beginning of the year	1,876.40	474.45
Cash and cash equivalents at the end of the year	3,332.43	1,876.40
Components of cash and cash equivalents		
Balances with scheduled banks:		
- Current accounts	3,318.61	1,860.20
Cash on hand	13.82	16.20
Cash and cash equivalents at the end of the year	3,332.43	1,876.40

**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, 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
Opening balance as at April 1, 2024	8,605.94	42,753.38	1,667.38	53,026.70
Cash flows during the year	(3,062.22)	(546.86)	(684.83)	(4,293.91)
Non-cash changes due to:				
- Interest expense (net of subvention)	662.52	2,678.27	-	3,340.79
- Finance cost on lease liability	-	-	131.47	131.47
- Lease liability recognised	-	-	100.18	100.18
Closing balance as at March 31, 2025	6,206.24	44,884.79	1,214.20	52,305.23

\* 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

<p>As per our report of even date attached</p> <p><b>For B S R &amp; Co. LLP</b></p> <p>Chartered Accountants</p> <p>ICAI Firm Registration no.: 101248W/W-100022</p> <p><b>Adhir Kapoor</b></p> <p>Partner</p> <p>Membership No.: 098297</p> <p>Place: New Delhi</p> <p>Date: May 29, 2025</p>	<p>For and on behalf of the Board of Directors DCM Shriram Industries Limited</p> <p><b>Vineet Manaktala</b></p> <p>Director Finance &amp; Chief Financial Officer</p> <p>DIN: 09145644</p> <p><b>Alok B. Shriram</b></p> <p>Sr. Managing Director</p> <p>DIN: 00203808</p> <p><b>Y.D. Gupta</b></p> <p>Vice President &amp; Company Secretary</p> <p>Membership No.: 3405</p> <p>Place: New Delhi</p> <p>Date: May 29, 2025</p>	<p><b>S.B. Mathur</b></p> <p>Chairman</p> <p>DIN: 00013239</p> <p><b>Madhav B. Shriram</b></p> <p>Managing Director</p> <p>DIN: 00203521</p> <p><b>Urvashi Tilakdhar</b></p> <p>Wholetime Director</p> <p>DIN: 00294265</p>
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## 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, 2025, are approved by the Company’s Audit Committee and by the Board of Directors on 29 May 2025.

### 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.



## Notes to the Standalone Financial Statements (continued)

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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 cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. 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 Company 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.

## Notes to the Standalone Financial Statements (continued)

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. An intangible asset is recognised only if it is probable that future economic benefits attributable to the asset will flow to the Company. 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.

The net realisable value of work-in-progress is determined with reference to the selling price of related finished goods. Raw materials, component and other supplies held for use in production of finished products are not written down below cost except in cases, when a decline in the price of materials indicates that the cost of the finished products shall exceeds the net realisable value.

## **e) Revenue from contract with customers**

### **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

## Notes to the Standalone Financial Statements (continued)

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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

## Notes to the Standalone Financial Statements (continued)

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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**

##### Company as a lessee

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) Operating segments**

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

## Notes to the Standalone Financial Statements (continued)

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- 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

## Notes to the Standalone Financial Statements (continued)

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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 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) Non-current 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. On May 07, 2025, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2025, which made certain amendments to Ind AS 21 The Effects of Changes in Foreign Exchange Rates, effective from April 01, 2025. These amendments define currency exchangeability and include guidance on estimating spot exchange rates when a currency is not exchangeable. The Company does not expect this amendment to have any significant impact in its financial statements.



**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
<b>Gross carrying amount</b>										
<b>Balance as at April 1, 2023</b>	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
<b>Balance as at March 31, 2024</b>	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
Add: Additions during the year	-	-	-	333.76	4,922.96	485.41	136.42	26.49	5,885.04	4,641.42
Less: Disposals/Adjustments/ Capitalised during the year	-	-	-	13.41	408.90	213.84	72.26	8.95	717.36	4,995.58
<b>Balance as at March 31, 2025</b>	822.29	465.35	423.56	6,743.92	69,030.54	1,622.26	1,683.88	302.64	81,094.46	330.02
<b>Accumulated depreciation</b>										
<b>Balance as at April 1, 2023</b>	-	-	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	-
<b>Balance as at March 31, 2024</b>	-	-	157.85	1,460.05	14,138.63	436.78	881.55	184.39	17,259.26	-
Add: Depreciation expense for the year	-	-	32.00	180.81	2,714.25	175.58	268.28	31.77	3,402.69	-
Less: Disposals / adjustments during the year	-	-	-	13.75	271.99	126.64	60.52	6.44	479.34	-
<b>Balance as at March 31, 2025</b>	-	-	189.85	1,627.11	16,580.89	485.72	1,089.31	209.72	20,182.61	-
<b>Net carrying value</b>										
<b>As at March 31, 2025</b>	822.29	465.35	233.71	5,116.81	52,449.65	1,136.54	594.57	92.92	60,911.85	330.02
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



# Notes to the Standalone Financial Statements (continued)

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	
<b>As at March 31, 2025</b>					
Projects in progress	330.02	-	-	-	330.02
<b>Total</b>	330.02	-	-	-	330.02
<b>As at March 31, 2024</b>					
Projects in progress	684.18	-	-	-	684.18
<b>Total</b>	684.18	-	-	-	684.18

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

## Notes:

- For contractual commitments with respect to Capital work-in-progress, refer note 41 (B).
- For details on property, plant and equipment & capital work-in-progress mortgaged/charged against borrowings, refer note 53.
- Borrowing cost capitalised during the year Rs. Nil (March 31, 2024 - Nil) with a capitalisation rate of Nil (March 31, 2024 - Nil)
- Leasehold lands are in the nature of perpetual lease.
- There is no capital work in progress project whose completion is overdue or has exceeded its cost compared to its plan.

## 4. Intangible assets

(Rs. lakhs)

Particulars	Intangible assets- Software
<b>Gross carrying amount</b>	
Balance as at March 31, 2023	546.56
Add: Additions during the year	1.46
Less: Disposals / adjustments / capitalized during the year	-
<b>Balance as at March 31, 2024</b>	<b>548.02</b>
Add: Additions during the year	3.22
Less: Disposals / adjustments / capitalized during the year	-
<b>Balance as at March 31, 2025</b>	<b>551.24</b>
<b>Accumulated amortisation</b>	
Balance as at March 31, 2023	308.40
Add: Amortisation expense for the year	83.73
Less: Disposals / adjustments during the year	-
<b>Balance as at March 31, 2024</b>	<b>392.13</b>
Add: Amortisation expense for the year	69.50
Less: Disposals / adjustments during the year	-
<b>Balance as at March 31, 2025</b>	<b>461.63</b>
<b>Net carrying value</b>	
<b>As at March 31, 2025</b>	<b>89.61</b>
<b>As at March 31, 2024</b>	<b>155.89</b>

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

## 5. Investments- Non current

	As at March 31, 2025 Rs. lakhs	As at March 31, 2024 Rs. lakhs
<b>Investment in equity instruments</b>		
<b>Unquoted equity instruments at cost</b>		
Daurala Co-operative Development Union Limited		
2 (March 31, 2024 - 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, 2024-9,797) equity shares of face value of 1 Turkish Lira each, fully paid up	314.50	314.50
<b>Investment in equity instruments of subsidiaries at cost</b>		
<b>Unquoted equity instruments</b>		
Daurala Foods & Beverages Private Limited		
75,00,000 (March 31, 2024 - 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, 2024-10,00,00,000) 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, 2024-50,000) equity shares of face value of Rs. 2 each, fully paid up	1.00	1.00
<b>Investments in equity instruments of associate at cost</b>		
<b>Unquoted equity instruments</b>		
DCM Hyundai Limited		
19,72,000 (March 31, 2024 - 19,72,000) equity shares of face value of Rs. 10 each, fully paid up	166.00	166.00
<b>Sub total</b>	<b>2,928.90</b>	<b>2,928.90</b>
<b>Advance for share capital (Refer Note 45)</b>		
DCM Shriram Fine Chemicals Limited (Refer note 55)	762.75	742.55
DCM Shriram International Limited (Refer note 55)	778.50	0.34
<b>Sub total</b>	<b>1,541.25</b>	<b>742.89</b>
<b>Total</b>	<b>4,470.15</b>	<b>3,671.79</b>
<b>Aggregate value of non-current unquoted investments</b>	<b>4,470.15</b>	<b>3,671.79</b>
* The investment is valued at Rs.20		

## 6. Loans- Non current

(unsecured, considered good unless otherwise stated)

	As at March 31, 2025 Rs. lakhs	As at March 31, 2024 Rs. lakhs
<b>To related parties (refer note 45)</b>		
Loans to officers	250.39	-
<b>To parties other than related parties</b>		
Loans to employees	27.04	35.82
<b>Total</b>	<b>277.43</b>	<b>35.82</b>

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

# Notes to the Standalone Financial Statements (continued)

## 7. Other financial assets- Non current

	As at <u>March 31, 2025</u> Rs. lakhs	As at <u>March 31, 2024</u> Rs. lakhs
Security deposits (Unsecured, considered good)		
- to related parties (refer note 45)	41.75	35.14
- Others	379.40	445.62
Bank deposits		
- with more than 12 months maturity	11.71	81.27
- held as margin money or security against borrowings, guarantees and other commitments	69.92	26.24
<b>Total</b>	<u>502.78</u>	<u>588.27</u>

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

## 8. Income tax assets (net)

	As at <u>March 31, 2025</u> Rs. lakhs	As at <u>March 31, 2024</u> Rs. lakhs
Advance income tax (net of provision)	1,035.64	2,344.65
<b>Total</b>	<u>1,035.64</u>	<u>2,344.65</u>

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 <u>March 31, 2025</u> Rs. lakhs	As at <u>March 31, 2024</u> Rs. lakhs
<b>To parties other than related parties</b>		
Capital advances	53.21	42.16
Deferred rent	2.58	2.96
Government dues paid and recoverable (refer note 52)	6,898.37	5,667.02
Balance with government authorities	4.11	4.18
Advances to employees	10.07	25.06
Prepaid expenses	59.51	109.50
<b>Total</b>	<u>7,027.85</u>	<u>5,850.88</u>

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 <u>March 31, 2025</u> Rs. lakhs	As at <u>March 31, 2024</u> Rs. lakhs
Raw materials*	14,206.57	10,415.79
Work in progress	1,919.12	1,848.08
Finished goods**#	57,790.37	55,252.30
Stores and spares	4,879.24	6,438.30
<b>Total</b>	<u>78,795.30</u>	<u>73,954.47</u>

\* Include raw materials in transit Rs. 613.98 lakhs (March 31, 2024: Rs. 250.10 lakhs)

\*\* Include finished goods in transit Rs. 736.38 lakhs (March 31, 2024: Rs. 1,051.06 lakhs)

# The write-down of inventories to net realisable value amounted to Rs. 925.92 lakhs (March 31, 2024: Rs. 786.21 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, 2025 Rs. lakhs	As at March 31, 2024 Rs. lakhs
<b>Investment in mutual funds measured at fair value through profit and loss</b>		
<b>Unquoted investment</b>		
7,522.73 (March 31, 2024: 1,326.72) HDFC Liquid Fund – Growth Direct Plan Units of Rs. 1000 each	383.09	62.93
3,74,840.16 (March 31, 2024: 5,71,951.25) ICICI Prudential Liquid Fund – Growth Direct Plan Units of Rs. 100 each	1,438.99	2,044.19
23,977.48 (March 31, 2024: 33,122.67) SBI Liquid Fund – Growth Direct Plan Units of Rs. 1000 each	972.51	1,251.80
<b>Total</b>	<b>2,794.59</b>	<b>3,358.92</b>
Aggregate amount of unquoted investments	2,794.59	3,358.92

## 12. Trade receivables

	As at March 31, 2025 Rs. lakhs	As at March 31, 2024 Rs. lakhs
<b>To parties other than related parties</b>		
Unsecured, considered good	23,988.08	27,587.24
Unsecured, considered credit impaired	10.10	10.10
	<b>23,998.18</b>	<b>27,597.34</b>
Less : Loss allowance for trade receivables	10.10	10.10
<b>Total</b>	<b>23,988.08</b>	<b>27,587.24</b>

Ageing of trade receivables as on March 31, 2025 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	18,344.23	5,501.06	38.23	16.85	4.40	8.28	23,913.05
- 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
<b>Total</b>	<b>18,344.23</b>	<b>5,501.06</b>	<b>38.23</b>	<b>16.85</b>	<b>4.40</b>	<b>93.41</b>	<b>23,998.18</b>

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

<sup>^</sup> Includes unbilled revenue of Rs.104.25 lakhs

# Notes to the Standalone Financial Statements (continued)

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
<b>Total</b>	<b>24,268.20</b>	<b>3,219.58</b>	<b>9.62</b>	<b>6.54</b>	<b>88.65</b>	<b>4.75</b>	<b>27,597.34</b>

\* 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

	<b>As at March 31, 2025 Rs. lakhs</b>	<b>As at March 31, 2024 Rs. lakhs</b>
Balances with banks		
- On current accounts	<b>3,318.05</b>	1,860.20
Cash on hand	<b>14.38</b>	16.20
<b>Total</b>	<b>3,332.43</b>	1,876.40

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

## 14. Other bank balances

	<b>As at March 31, 2025 Rs. lakhs</b>	<b>As at March 31, 2024 Rs. lakhs</b>
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	<b>3,670.52</b>	1,027.87
Earmarked balances with banks – unclaimed dividend accounts	<b>134.77</b>	158.39
<b>Total</b>	<b>3,805.29</b>	1,186.26

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

## 15. Loans- Current

(unsecured, considered good unless otherwise stated)

	<b>As at March 31, 2025 Rs. lakhs</b>	<b>As at March 31, 2024 Rs. lakhs</b>
<b>To related parties (refer note 45)</b>		
Loan to subsidiary*	<b>587.94</b>	-
<b>To parties other than related parties</b>		
Loans to employees (including accrued interest)	<b>15.83</b>	19.73
<b>Total</b>	<b>603.77</b>	19.73

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

\* Interest free loan for purchase of immoveable properties and repayable on demand.

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

	<b>As at March 31, 2025 Rs. lakhs</b>	<b>As at March 31, 2024 Rs. lakhs</b>
<b>To parties other than related parties</b>		
Security deposits	57.66	53.95
Government grant receivable	90.32	141.24
Reimbursement assets (Refer note 52)	33,843.88	30,580.42
Deposits with original maturity of more than twelve months		
- earmarked deposits held as margin money or security against borrowings, guarantees and other commitments	1,263.29	2,409.21
Other receivables	469.21	299.95
<b>Total</b>	<b>35,724.36</b>	<b>33,484.77</b>

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

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

	<b>As at March 31, 2025 Rs. lakhs</b>	<b>As at March 31, 2024 Rs. lakhs</b>
<b>To related parties (Refer note 45)</b>		
Advance rent	5.70	-
<b>To parties other than related parties</b>		
Advances to vendors	814.84	296.02
Advance to employees	37.41	30.92
Balance with government authorities	1,068.97	1,349.81
Duty drawback and other incentive receivables	187.63	226.02
Prepaid expenses	397.61	352.85
Net defined benefit asset- Gratuity	256.95	505.28
Other receivables	102.21	79.63
<b>Total</b>	<b>2,871.32</b>	<b>2,840.53</b>

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

**18. Equity share capital**

	<b>As at March 31, 2025 Rs. lakhs</b>	<b>As at March 31, 2024 Rs. lakhs</b>
<b>a) Authorised</b>		
325,000,000 equity shares of Rs. 2 each (March 31, 2024: 325,000,000 of Rs. 2 each)	6,500.00	6,500.00
<b>b) Issued, subscribed and fully paid-up</b>		
86,992,185 equity shares of Rs. 2 each fully paid-up (March 31, 2024: 86,992,185 of Rs. 2 each)	1,739.84	1,739.84

# Notes to the Standalone Financial Statements (continued)

## c) Reconciliation of the shares outstanding at the beginning and at the end of reporting period:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount Rs. lakhs	Number of shares	Amount Rs. lakhs
<b>Equity shares</b>				
At the commencement of the year	8,69,92,185	1,739.84	8,69,92,185	1,739.84
Add: Shares issued	-	-	-	-
<b>At the end of the year</b>	<b>8,69,92,185</b>	<b>1,739.84</b>	<b>8,69,92,185</b>	<b>1,739.84</b>

## 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, 2025		As at March 31, 2024	
	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	4,35,88,680	50.11
HB Portfolio Limited	40,77,132	4.69	40,77,132	4.69

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

S. No.	Promoter Name	As at March 31, 2025			As at March 31, 2024		
		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	-	4,35,88,680	50.11	167.07%
2	Aditi Dhar	500	0.00	-	500	0.00	-
3	Akshay Dhar	500	0.00	-	500	0.00	-
4	Divya Shriram	435	0.00	-	435	0.00	-
	<b>Total</b>	<b>4,35,90,115</b>	<b>50.11%</b>	<b>-</b>	<b>4,35,90,115</b>	<b>50.11%</b>	<b>-</b>

\* 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**

	<b>As at March 31, 2025</b>	<b>As at March 31, 2024</b>
	<b>Rs. lakhs</b>	<b>Rs. lakhs</b>
<b>a. Amalgamation reserve</b>		
Balance as at the beginning and at the end of the year	<b>1,411.38</b>	1,411.38
<b>b. General reserve</b>		
Balance as at the beginning and at the end of the year	<b>13,465.60</b>	13,465.60
<b>c. Capital redemption reserve</b>		
Balance as at the beginning and at the end of the year	<b>0.10</b>	0.10
<b>d. Securities Premium</b>		
Balance as at the beginning and at the end of the year	<b>3,406.68</b>	3,406.68
<b>e. Retained earnings</b>		
Balance as at the beginning of the year	<b>59,722.42</b>	49,897.28
Add: Profit for the year	<b>10,029.84</b>	11,494.12
Items of other comprehensive income recognised directly in retained earnings		
Remeasurement of defined benefit obligation, net of tax*	<b>(50.02)</b>	70.86
Less: Appropriations		
Interim dividend on equity shares [Dividend per share Rs. 2/- per share of nominal value of Rs. 2/- each (March 31, 2024: Rs. 2/- per share of nominal value of Rs. 2/- each)]	<b>(1,739.84)</b>	(1,739.84)
<b>Balance at the end of the year</b>	<b>67,962.40</b>	59,722.42
<b>Total</b>	<b>86,246.16</b>	78,006.18

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



## Notes to the Standalone Financial Statements (continued)

### 20. Borrowings- Non current

	As at <u>March 31, 2025</u> Rs. lakhs	As at <u>March 31, 2024</u> Rs. lakhs
<b>From related parties (refer note 45)</b>		
<b>Unsecured loans</b>		
Public deposits	356.33	440.80
<b>From parties other than related parties</b>		
<b>Secured loans</b>		
Term loans from banks	5,356.51	7,224.93
Term loans from others	-	354.64
<b>Unsecured loans</b>		
Public deposits	390.66	462.06
	<u>6,103.50</u>	<u>8,482.43</u>
Less: Current maturities of long term borrowings	2,637.82	4,928.99
<b>Total</b>	<u>3,465.68</u>	<u>3,553.44</u>
<b>Details of current maturities of long term borrowings:</b>		
<b>Secured loans</b>		
Term loans from banks	2,369.07	4,437.53
Term loans from others	-	107.39
<b>Unsecured loans</b>		
Public deposits	268.75	384.07
	<u>2,637.82</u>	<u>4,928.99</u>

### A. SECURED

#### I. From Banks

- a) Nil (March 31,2024: Rs. 271.21 lakhs) was secured by first pari-passu charge on all the immovable and movable properties of the Company excluding assets on exclusive charges.
- b) Nil (March 31,2024: Rs. 1,039.98 lakhs) was secured by first pari-passu charge on all the immovable and movable properties of the Company excluding assets on exclusive charges.
- c) Rs. 1,492.82 lakhs (March 31,2024: Rs. 2,916.89 Lakhs) carrying interest linked to lender's 1 year MCLR and spread thereon, repayable in 6 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. 531.43 lakhs (March 31,2024: Rs. 1,736.47 lakhs) carrying interest of 8% p.a., repayable in 6 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 31,2024: Rs. 156.25 lakhs) was secured by residual pari-passu charge on fixed assets of sugar factory at Daurala Sugar Works, a unit of the Company.
- f) Nil (March 31,2024: Rs. 145.12 lakhs) was secured by first pari-passu charge on fixed assets of Daurala Sugar Works - Sugar & Alcohol division, a unit of the Company.

- g) Rs. 720.00 lakhs (March 31,2024: Rs. 900.00 lakhs) carrying interest linked to lender's 1 year MCLR and spread thereon, repayable in 16 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. 44.40 Lakhs (March 31,2024: Rs. 59.02 lakhs) is secured by hypothecation of specific asset carrying interest of 8.50%, repayable in 33 monthly instalments.
- i) Rs. 2,567.86 lakhs (March 31,2024: 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

## II. From Others

- i) Nil (March 31,2024: Rs. 346.15 lakhs) was secured by first pari-passu charge on immovable and movable properties of sugar factory at Daurala Sugar Works, a unit of the Company.
- ii) Nil lakhs (March 31,2024: Rs. 8.48 lakhs) was secured by hypothecation of specific asset.

## B. Unsecured

Rs. 746.99 lakhs (March 31,2024: Rs. 902.86 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, 2025 Rs. lakhs	As at March 31, 2024 Rs. lakhs
<b>From related parties (refer note 45)</b>		
Interest accrued but not due on borrowings	13.53	24.30
<b>From parties other than related parties</b>		
Interest accrued but not due on borrowings	-	27.62
Deposits from contractors and others	0.97	10.37
Due to customer (refer note 52)	6,902.02	5,667.02
Other payables	37.85	41.96
<b>Total</b>	<b>6,954.37</b>	<b>5,771.27</b>

### 22. Provisions- Non current

	As at March 31, 2025 Rs. lakhs	As at March 31, 2024 Rs. lakhs
Provision for employee benefits (refer note 44)		
- Compensated absences	1,218.62	1,002.14
Provision for contingencies*	100.00	100.00
<b>Total</b>	<b>1,318.62</b>	<b>1,102.14</b>

\* 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.

# Notes to the Standalone Financial Statements (continued)

## 23. Other non-current liabilities

	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
Other payables	27.05	21.54
<b>Total</b>	<b>27.05</b>	<b>21.54</b>

## 24. Borrowings- Current

	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
<b>Secured loans</b>		
From banks - loans repayable on demand*	44,884.79	42,753.38
Current maturities of long term borrowings (refer note 20)	2,637.82	4,928.99
<b>Total</b>	<b>47,522.61</b>	<b>47,682.37</b>

\*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 3.40% to 9.50% p.a. (March 31, 2024: 5.00% to 9.50% p.a.). Also refer note 53.

## 25. Trade payables

	As at March 31, 2025	As at March 31, 2024
	Rs. lakhs	Rs. lakhs
Total outstanding dues of micro enterprises and small enterprises (MESE)*	1,805.13	1,309.68
Total outstanding dues other than micro enterprises and small enterprises#	27,839.67	30,370.78
<b>Total</b>	<b>29,644.80</b>	<b>31,680.46</b>

Ageing of trade payable as on March 31, 2025 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	1,279.72	519.41	6.00	-	-	1,805.13
- Others	4,365.56	23,452.12	4.29	10.22	7.48	27,839.67
- Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>5,645.28</b>	<b>23,971.53</b>	<b>10.29</b>	<b>10.22</b>	<b>7.48</b>	<b>29,644.80</b>

\*\* 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, 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	4,691.37	25,630.33	10.53	36.27	2.28	30,370.78
- Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>5,599.42</b>	<b>26,031.96</b>	<b>10.53</b>	<b>36.27</b>	<b>2.28</b>	<b>31,680.46</b>

\*\* 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. 170.21 lakhs (March 31, 2024 Rs. 208.52 lakhs), refer note 45.

^ Includes unbilled dues.

### Notes:

a) Includes acceptances Rs. 4,336.17 lakhs (March 31, 2024 Rs. 6,816.34 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 <u>March 31, 2025</u> Rs. lakhs	As at <u>March 31, 2024</u> Rs. lakhs
<b>From related parties (Refer note 45)</b>		
Interest accrued but not due on borrowings	33.13	28.52
Employees related payable	1,134.18	1,340.24
Dividend payable	871.80	871.80
<b>From parties other than related parties</b>		
Dividend payable	868.04	868.04
Creditors for capital purchases	221.76	191.60
Security deposits	53.38	47.99
Interest accrued but not due on borrowings	21.58	43.07
Unclaimed dividends*	134.77	158.39
Unclaimed deposits and interest accrued thereon	34.50	-
Deposits from contractors and others	552.73	608.48
Employees related payable	1,122.24	1,333.98
Other payables	80.98	65.44
<b>Total</b>	<b>5,129.09</b>	<b>5,557.55</b>

\* 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 <u>March 31, 2025</u> Rs. lakhs	As at <u>March 31, 2024</u> Rs. lakhs
Advances from customers	247.09	359.65
Statutory dues payable	1,100.44	933.54
Other payables	149.01	157.33
<b>Total</b>	<b>1,496.54</b>	<b>1,450.52</b>

## 28. Provision- Current

	As at <u>March 31, 2025</u> Rs. lakhs	As at <u>March 31, 2024</u> Rs. lakhs
Provision for employee benefits (Refer note 44)		
- Compensated absences	595.51	705.66
- Provident fund trust	-	2.00
Provision for contingencies* (Refer note 52)	33,843.88	30,580.42
<b>Total</b>	<b>34,439.39</b>	<b>31,288.08</b>

\* During the year, the Company has recognised a provision for contingencies of Rs. 3,263.46 lakhs (FY 2023-24: Rs. 4,267.72 lakhs). Consequently, the provision for contingencies of Rs. 30,580.42 lakhs as at March 31, 2024 (Rs. 26,312.70 lakhs as at March 31, 2023) has increased to Rs. 33,843.88 lakhs as on March 31, 2025.

## Notes to the Standalone Financial Statements (continued)

### 29. Revenue from operations

	For the year ended <u>March 31, 2025</u> Rs. lakhs	For the year ended <u>March 31, 2024</u> Rs. lakhs
<b>Sale of products@</b>		
Export	55,197.48	66,631.80
Domestic	<u>1,44,726.40</u>	<u>1,35,794.71</u>
	<b>1,99,923.88</b>	<b>2,02,426.51</b>
<b>Sale of services@</b>		
Processing charges	<u>2,449.82</u>	<u>3,191.67</u>
	<b>2,02,373.70</b>	<b>2,05,618.18</b>
<b>Other operating revenue</b>		
Sale of scrap	1,187.92	627.97
Duty drawback, export benefits and other government assistance*	1,245.92	1,548.70
Sale of renewable energy certificates	7.17	62.21
Other operating income	<u>344.27</u>	<u>433.12</u>
<b>Total</b>	<b><u>2,05,158.98</u></b>	<b><u>2,08,290.18</u></b>

\* Refer note 50

@ Refer note 39 for disaggregation of revenue

### Contract balances

	As at <u>March 31, 2025</u> Rs. lakhs	As at <u>March 31, 2024</u> Rs. lakhs
<b>Trade receivables (Refer note 12)</b>	<b>23,988.08</b>	<b>27,587.24</b>
<b>Contract liabilities</b>		
Advances from customers (Refer note 27)	<b>247.09</b>	<b>359.65</b>

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

	For the year ended <u>March 31, 2025</u> Rs. lakhs	For the year ended <u>March 31, 2024</u> Rs. lakhs
Contracted price	2,03,176.78	2,06,191.24
Less: Discounts	<u>803.08</u>	<u>573.06</u>
	<b><u>2,02,373.70</u></b>	<b><u>2,05,618.18</u></b>

The amount of Rs. 260.31 lakhs included in contract liabilities at March 31, 2024 has been recognised as revenue during the year ended March 31, 2025 (March 31, 2024: Rs. 329.02 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 <u>March 31, 2025</u> Rs. lakhs	For the year ended <u>March 31, 2024</u> Rs. lakhs
Interest income from financial assets measured at amortised cost		
From deposits with banks and others	398.19	130.01
Unwinding of discount on security deposits	0.28	0.25
Interest subsidy*	<b>65.98</b>	<b>210.94</b>

### 30. Other income (Contd.)

#### Other non-operating income

Interest on income tax refund	741.10	-
Provisions/liabilities no longer required, written back	222.72	109.16
Rental income	51.67	50.01
Gain on sale of property, plant and equipment (net)	22.44	11.42
Gain on disposal of non-current asset held for sale (Refer note 56)	81.13	-
Gain on sale of current investments	80.01	137.62
Net change in fair value of financial assets measured at fair value through profit or loss	160.42	97.88
Gain on foreign exchange fluctuation (net)	1,094.81	1,259.74
Miscellaneous income	141.84	154.29
<b>Total</b>	<b>3,060.59</b>	<b>2,161.32</b>

\* Refer note 50

### 31. Cost of materials consumed

	For the year ended March 31, 2025 Rs. lakhs	For the year ended March 31, 2024 Rs. lakhs
Raw materials at the beginning of the year	10,415.79	12,639.73
Add: Purchases	1,28,174.53	1,28,078.17
	1,38,590.32	1,40,717.90
Less: Raw materials at the end of the year	14,206.57	10,415.79
<b>Total</b>	<b>1,24,383.75</b>	<b>1,30,302.11</b>
<b>Particulars of materials consumed are as under:</b>		
Sugarcane	77,151.94	80,709.56
Wood pulp	14,861.39	14,172.99
Others	32,370.42	35,419.56
<b>Total</b>	<b>1,24,383.75</b>	<b>1,30,302.11</b>

### 32. Purchase of traded goods

	For the year ended March 31, 2025 Rs. lakhs	For the year ended March 31, 2024 Rs. lakhs
Grain spirits	-	5,713.42
<b>Total</b>	<b>-</b>	<b>5,713.42</b>

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

	For the year ended March 31, 2025 Rs. lakhs	For the year ended March 31, 2024 Rs. lakhs
<b>Opening stock</b>		
Finished goods	55,252.30	42,019.79
Work-in-progress	1,848.08	1,927.85
<b>Total</b>	<b>57,100.38</b>	<b>43,947.64</b>
<b>Closing stock</b>		
Finished goods	57,790.37	55,252.30
Work-in-progress	1,919.12	1,848.08
<b>Total</b>	<b>59,709.49</b>	<b>57,100.38</b>
	<b>(2,609.11)</b>	<b>(13,152.74)</b>

## Notes to the Standalone Financial Statements (continued)

### 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, 2025	For the year ended March 31, 2024
	Rs. lakhs	Rs. lakhs
Finished goods	(2,538.07)	(13,232.51)
Work-in-progress	(71.04)	79.77
	<u>(2,609.11)</u>	<u>(13,152.74)</u>

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

##### Finished goods

Sugar	48,012.64	49,394.42
Alcohol	778.41	1,345.60
Organic/ Fine chemicals	1,070.05	643.96
Industrial fibers	7,929.27	3,868.32
<b>Total</b>	<u>57,790.37</u>	<u>55,252.30</u>

##### Work-in-progress

Sugar	1,174.76	1,029.07
Alcohol	23.13	75.68
Organic/ Fine chemicals	127.35	188.16
Industrial fibers	593.88	555.17
<b>Total</b>	<u>1,919.12</u>	<u>1,848.08</u>

### 34. Employee benefits expense

	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. lakhs	Rs. lakhs
Salaries, wages and bonus* #	17,776.39	17,238.06
Contribution to provident and other funds*	1,955.12	1,679.27
Staff welfare expenses	504.53	493.24
<b>Total</b>	<u>20,236.04</u>	<u>19,410.57</u>

\* Refer note 44

# Includes payment to contractual labour

### 35. Finance costs

	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. lakhs	Rs. lakhs
Interest expense*#	3,334.31	3,421.14
Other borrowing costs	203.93	135.31
<b>Total</b>	<u>3,538.24</u>	<u>3,556.45</u>

\* Refer note 50

# includes Rs.131.47 lakhs interest on lease liabilities (March 31,2024: Rs.143.62 lakhs)

### 36. Depreciation and amortisation expense

	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. lakhs	Rs. lakhs
Depreciation on property, plant and equipment (refer note 3)	3,402.69	3,331.91
Amortisation on intangible assets (refer note 4)	69.50	83.73
Amortisation on right-of-use assets (refer note 40)	514.25	472.08
<b>Total</b>	<u>3,986.44</u>	<u>3,887.72</u>

**37. Other expenses**

	For the year ended <u>March 31, 2025</u>	For the year ended <u>March 31, 2024</u>
	Rs. lakhs	Rs. lakhs
Consumption of stores and spares	10,755.19	10,528.34
Power and fuel	12,267.22	12,605.20
Commission	3,253.81	3,909.95
Freight and transport	2,190.75	1,954.76
Insurance	294.52	294.31
Rates and taxes	717.19	842.86
Repairs and maintenance		
- Buildings	1,136.16	950.80
- Plant and machinery	6,563.38	6,255.44
Corporate social responsibility (refer note below)	236.63	197.00
Rent (refer note 40)	15.83	33.12
Payments to auditors		
- Statutory audit fee	60.50	50.00
- Limited review of unaudited financial results	37.50	37.50
- Certification of statements	1.00	21.50
- Out-of-pocket expenses	6.63	6.83
Fulfillment and other operating expenses	1,248.89	1,250.36
Professional expenses	1,162.84	1,065.30
Miscellaneous expenses	3,293.23	3,546.51
<b>Total</b>	<b>43,241.27</b>	<b>43,549.78</b>

**Note: Details of corporate social responsibility expenditure**

a) Amount approved by Board of Directors required to be spent by the Company during the year	228.96	183.41
b) Amount spent during the year (in cash)		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	236.63	184.91
c) Amount unspent	-	-

d) Nature of CSR activities	For the year ended <u>March 31, 2025</u>	For the year ended <u>March 31, 2024</u>
	Rs. lakhs	Rs. lakhs
(i) Promoting health care including preventive health and sanitation	48.56	45.64
(ii) Promoting education, including special education and employment	61.55	56.23
(iii) Empowering women and support to senior citizen	47.79	10.47
(iv) Environmental sustainability and conservation of natural resources and maintaining quality of soil, air and water	19.27	18.27
(v) Promotion and development of traditional arts and handicrafts	41.00	38.00
(vi) Training to promote rural sports	7.60	6.50
(vii) Contribution to Prime Minister's National Relief Fund and PM CARES Fund	2.80	3.55
(viii) Amount spent in administrative overhead	8.06	6.25
	<b>236.63</b>	<b>184.91</b>



# Notes to the Standalone Financial Statements (continued)

## 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, 2025 and March 31, 2024 are:

	(Rs. Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
Current tax expense	5,111.82	5,606.78
Tax relating to earlier years	64.50	(265.00)
Total tax expense	5,176.32	5,341.78
Deferred tax charge	236.78	348.29
<b>Income tax expense reported in the statement of profit and loss</b>	<b>5,413.10</b>	<b>5,690.07</b>

### B. Amounts recognised in other comprehensive income

The major components of income tax expense for the years ended March 31, 2025 and March 31, 2024 are:

	(Rs. Lakhs)	
	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Income tax</b>		
Remeasurement of post employment benefit obligation	26.87	(38.07)
<b>Income tax charges to other comprehensive (expense) / income</b>	<b>26.87</b>	<b>(38.07)</b>

### 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, 2025 and March 31, 2024:

	(Rs. Lakhs)			
	For the year ended March 31, 2025		For the year ended March 31, 2024	
	Rate	Amount	Rate	Amount
<b>Profit before tax including OCI</b>		15,366.05		17,293.12
Tax based on domestic tax rate	34.94%	5,369.51	34.94%	6,042.91
Tax effect of:				
Tax relating to earlier years	0.42 %	64.50	-1.53%	(265.00)
Non-deductible expenses	0.70%	107.48	0.40%	68.84
Impact on deferred tax due to change in tax rate for future years	(0.98)%	(150.84)	(0.79)%	(136.00)
Others	-0.03%	(4.41)	0.10%	17.39
<b>Effective tax rate</b>	<b>35.05%</b>	<b>5,386.24</b>	<b>33.12%</b>	<b>5,728.14</b>

# The Company has not opted for lower tax regime under Section 115BAA of The Income Tax Act, 1961. Post scheme of arrangement, the decision to transition to the new tax regime and related tax balances shall be reassessed.

### D. Deferred tax assets/ liabilities

Particulars	Deferred tax assets		Deferred tax liabilities		Net deferred tax assets/ (liabilities)	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Accrued expenses deductible on payment	164.77	166.91	-	-	164.77	166.91
Provisions for gratuity, compensated absences and other employee benefits	544.14	420.21	-	-	544.14	420.21
Loss allowance for trade receivables	3.53	3.53	-	-	3.53	3.53
Loss allowance for other assets	-	-	-	-	-	-
Difference in written down values as per books and as per tax laws of property, plant and equipment/ intangible assets	-	-	8,748.00	8,384.11	(8,748.00)	(8,384.11)
Others	275.07	218.44	49.37	24.94	225.70	193.50
	987.51	809.09	8,797.37	8,409.05	(7,809.86)	(7,599.96)
<b>MAT credit entitlement</b>	-	-	-	-	-	-
<b>Net deferred tax assets / (liabilities)</b>	<b>987.51</b>	<b>809.09</b>	<b>8,797.37</b>	<b>8,409.05</b>	<b>(7,809.86)</b>	<b>(7,599.96)</b>

### E. Movement in temporary differences

For the year ended March 31, 2025

Particulars	Net deferred tax assets/ (liabilities)				
	Opening balance	Recognised in statement of Profit & Loss	Recognised in other comprehensive income	Closing balance	
<b>Deferred tax assets</b>					
Accrued expenses deductible on payment	166.91	(2.14)	-	164.77	
Provisions for gratuity, compensated absences and other employee benefits	420.21	97.06	26.87	544.14	
Loss allowance for trade receivables	3.53	-	-	3.53	
Others	218.44	56.63	-	275.07	
	809.09	151.55	26.87	987.51	
<b>Deferred tax liabilities</b>					
Difference in written down values as per books and as per tax laws of property, plant and equipment/ intangible assets	(8,384.11)	(363.89)	-	(8,748.00)	
Others	(24.94)	(24.43)	-	(49.37)	
	(8,409.05)	(388.32)	-	(8,797.37)	
<b>Total</b>	<b>(7,599.96)</b>	<b>(236.77)</b>	<b>26.87</b>	<b>(7,809.86)</b>	

# Notes to the Standalone Financial Statements (continued)

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
<b>Deferred tax assets</b>				
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
Others	151.97	66.47	-	218.44
	845.31	1.84	(38.07)	809.09
<b>Deferred tax liabilities</b>				
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)
<b>Total</b>	<b>(7,213.61)</b>	<b>(348.29)</b>	<b>(38.07)</b>	<b>(7,599.96)</b>

## 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. 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		For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024				
<b>Segment revenue</b>								
- External revenues	1,03,875.48	98,009.26	55,811.43	66,956.34	42,686.78	40,652.58	2,02,373.69	2,05,618.18
- Other operating revenue	986.58	287.44	1,556.23	1,755.14	242.48	629.42	2,785.29	2,672.00
<b>Subtotal</b>	<b>1,04,862.06</b>	<b>98,296.70</b>	<b>57,367.66</b>	<b>68,711.48</b>	<b>42,929.26</b>	<b>41,282.00</b>	<b>2,05,158.98</b>	<b>2,08,290.18</b>
- Other income	174.28	286.14	1,269.09	1,211.61	265.10	248.15	1,708.47	1,745.90
- Unallocable income							1,352.12	415.42
<b>Total income</b>	<b>1,05,036.34</b>	<b>98,582.84</b>	<b>58,636.75</b>	<b>69,923.09</b>	<b>43,194.36</b>	<b>41,530.15</b>	<b>2,08,219.57</b>	<b>2,10,451.50</b>
<b>Segment results</b>								
Unallocated expenses (net of unallocated income)	7,709.20	3,985.26	10,830.08	16,910.06	3,929.17	4,766.02	22,468.45	25,661.34
<b>Operating profit</b>							<b>3,487.27</b>	<b>4,920.70</b>
Finance costs							18,981.18	20,740.64
<b>Profit before tax</b>							<b>3,538.24</b>	<b>3,556.45</b>
Current tax expense							15,442.94	17,184.19
Deferred tax charge							5,176.32	5,341.78
<b>Net profit after tax</b>							<b>236.78</b>	<b>348.29</b>
							<b>10,029.84</b>	<b>11,494.12</b>
Capital expenditure during the year	3,932.97	1,567.65	1,319.81	953.54	206.41	809.36	5,459.19	3,330.55
Unallocated capital expenditure during the year							72.63	37.06
<b>Total capital expenditure during the year</b>							<b>5,531.82</b>	<b>3,367.61</b>
Depreciation and amortisation	1,520.59	1,479.92	1,227.17	1,189.36	733.03	748.17	3,480.79	3,417.45
Unallocated depreciation during the year							505.65	470.27
<b>Total depreciation during the year</b>							<b>3,986.44</b>	<b>3,887.72</b>
Non cash expense other than depreciation	-	-	-	24.82	-	-	-	24.82
<b>Total non cash expense other than depreciation during the year</b>							<b>-</b>	<b>24.82</b>

# Notes to the Standalone Financial Statements (continued)

(Rs. Lakhs)

Particulars	Reportable segments					Elimination		Total	
	Sugar		Industrial fibres and related products		Chemicals				
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024			
Segment assets	1,32,547.11	1,26,415.86	50,821.14	50,599.22	23,962.59	22,739.05	-	2,07,330.84	1,99,754.13
Unallocated assets								20,304.64	18,072.59
Total assets	1,32,547.11	1,26,415.86	50,821.14	50,599.22	23,962.59	22,739.05	-	2,27,635.48	2,17,826.72
Segment liabilities	56,541.53	53,649.18	12,405.33	13,949.10	6,052.24	5,026.91	-	74,999.10	72,625.19
Share capital and reserves								87,986.00	79,746.02
Unallocated liabilities								51,056.53	51,359.12
-Borrowings								13,593.85	14,096.39
-Others									
Total liabilities	56,541.53	53,649.18	12,405.33	13,949.10	6,052.24	5,026.91	-	2,27,635.48	2,17,826.72
Capital employed	76,005.57	72,766.68	38,415.82	36,650.12	17,910.34	17,712.14	-	1,32,331.73	1,27,128.94

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

	<b>For the year ended March 31, 2025 Rs. Lakhs</b>	<b>For the year ended March 31, 2024 Rs. Lakhs</b>
<b>i. Total income</b>		
Total revenue for reportable segments	<b>2,06,867.45</b>	2,10,036.08
Unallocated amounts:		
Unallocable income	<b>1,352.12</b>	415.42
Inter-segment elimination	-	-
<b>Total income</b>	<b>2,08,219.57</b>	2,10,451.50
	<b>For the year ended March 31, 2025 Rs. Lakhs</b>	<b>For the year ended March 31, 2024 Rs. Lakhs</b>
<b>ii. Profit before tax</b>		
Total profit before tax for reportable segments	<b>22,468.45</b>	25,661.34
<b>Unallocated cost:</b>		
Finance costs	<b>(3,538.24)</b>	(3,556.45)
Other unallocated amounts	<b>(3,487.27)</b>	(4,920.70)
<b>Profit before tax as per statement of profit and loss</b>	<b>15,442.94</b>	17,184.19
	<b>For the year ended March 31, 2025 Rs. Lakhs</b>	<b>For the year ended March 31, 2024 Rs. Lakhs</b>
<b>iii. Assets</b>		
Total assets for reportable segments	<b>2,07,330.84</b>	1,99,754.13
<b>Unallocated amounts:</b>		
Investments	<b>7,264.74</b>	7,030.71
Corporate assets	<b>13,039.91</b>	11,041.88
<b>Total assets as per the balance sheet</b>	<b>2,27,635.48</b>	2,17,826.72
	<b>As at March 31, 2025 Rs. Lakhs</b>	<b>As at March 31, 2024 Rs. Lakhs</b>
<b>iv. Liabilities</b>		
Total liabilities for reportable segments	<b>74,999.10</b>	72,625.19
<b>Unallocated amounts:</b>		
Share capital	<b>1,739.84</b>	1,739.84
Reserves and Surplus	<b>86,246.16</b>	78,006.18
Unallocated corporate liabilities	<b>64,650.38</b>	65,455.50
<b>Total liabilities as per the balance sheet</b>	<b>2,27,635.48</b>	2,17,826.72

**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.

## Notes to the Standalone Financial Statements (continued)

	For the year ended March 31, 2025 Rs. Lakhs	For the year ended March 31, 2024 Rs. Lakhs
<b>i. Revenue from operations</b>		
(a) India	1,49,961.50	1,41,658.32
(b) Other countries		
Europe	12,686.36	25,795.48
China	19,345.00	19,902.73
Mexico	11,660.00	13,820.15
Rest of the World	11,506.12	7,113.50
<b>Total (b)</b>	<b>55,197.48</b>	<b>66,631.86</b>
(c) Inter-segment elimination	-	-
<b>Total (a+b+c)</b>	<b>2,05,158.98</b>	<b>2,08,290.18</b>
	<b>As at March 31, 2025 Rs. Lakhs</b>	<b>As at March 31, 2024 Rs. Lakhs</b>
<b>ii. Assets</b>		
Non-current segment assets		
(a) India	73,290.06	69,623.36
(b) Outside India	-	-
<b>Total (a+b)</b>	<b>73,290.06</b>	<b>69,623.36</b>

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 transactions with any single customer does not exceed 10 per cent or more of the Company's total revenue.

## 40. Leases

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

Particulars	Opening as on April 1, 2024	Additions during the year	Deletions during the year	Depreciation during the year	(Rs. Lakhs)
					Net carrying amount as at March 31, 2025
Building	1,485.53	138.64	34.91	514.25	1,075.01
	<b>1,485.53</b>	<b>138.64</b>	<b>34.91</b>	<b>514.25</b>	<b>1,075.01</b>
Particulars	Opening as on April 1, 2023	Additions during the year	Deletions during the year	Depreciation during the year	(Rs. Lakhs)
					Net carrying amount as at March 31, 2024
Building	1,313.15	644.46	-	472.08	1,485.53
	<b>1,313.15</b>	<b>644.46</b>	<b>-</b>	<b>472.08</b>	<b>1,485.53</b>

The Company incurred Rs. 15.83 lakhs (March 31, 2024: Rs.33.12 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	As at
	<u>March 31, 2025</u>	<u>March 31, 2024</u>
	Rs. Lakhs	Rs. Lakhs
Opening balance	1,667.40	1,532.90
Additions	137.34	642.77
Deletions	(37.16)	-
Amount recognised in statement of profit and loss as interest expense	131.47	143.62
Payment of lease liability	<u>(684.83)</u>	<u>(651.89)</u>
<b>Closing balance</b>	<b>1,214.22</b>	<b>1,667.40</b>

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

Particulars	As at	As at
	<u>March 31, 2025</u>	<u>March 31, 2024</u>
	Rs. Lakhs	Rs. Lakhs
Within one year	437.69	531.21
More than one but upto five years	688.89	1,004.53
Beyond five years	87.64	131.66
<b>Closing balance</b>	<b>1,214.22</b>	<b>1,667.40</b>

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

##### A. Contingent liabilities\*

Particulars	As at	As at
	<u>March 31, 2025</u>	<u>March 31, 2024</u>
	Rs. Lakhs	Rs. Lakhs
Income tax matters	2,441.20	3,089.00
Excise and Service tax matters	368.73	385.74
Claims against the Company not acknowledged as debts (excluding claims by employees, where amounts are not ascertainable)	1,014.33	991.73
Sales tax matters	73.13	15.46
Sugarcane related matters	<u>4,545.26</u>	<u>4,545.26</u>
<b>Total</b>	<b>8,442.65</b>	<b>9,027.19</b>

\* 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

- Capital commitments: Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amount aggregating to Rs. 138.69 lakhs (March 31, 2024: Rs. 250.92 lakhs) relating to Property, plant and equipment.
  - 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.
  - The Company has given a corporate guarantee of Rs.1,700 lakhs in respect of loan taken by its wholly owned subsidiary from bank for purchasing immoveable properties
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.



# Notes to the Standalone Financial Statements (continued)

## 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, 2025	For the year ended March 31, 2024
Profit after tax attributable to equity shareholders	<b>Rs. Lakhs</b>	<b>10,029.84</b>	11,494.12
Weighted average number of equity shares outstanding during the year	<b>Numbers</b>	<b>8,69,92,185</b>	8,69,92,185
Nominal value per share	<b>Rs.</b>	<b>2</b>	2
Basic and diluted earnings per share	<b>Rs.</b>	<b>11.53</b>	13.21

## 44. Employee benefits

### A. Defined contribution plans

Rs. 786.22 lakhs (March 31, 2024: Rs. 201.03 lakhs) for provident fund contributions and Rs. 252.15 lakhs (March 31, 2024: Rs. 254.02 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, 2025 Rs. Lakhs	As at March 31, 2024 Rs. Lakhs
Non current	-	-
Current	(256.95)	(505.28)
Net defined benefit asset- Gratuity	(256.95)	(505.28)

#### (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, 2025 Rs. Lakhs	For the year ended March 31, 2024 Rs. Lakhs
Balance at the beginning of the year	4,911.51	4,460.48
Current service cost	326.69	303.41
Interest cost	355.10	329.18
Actuarial loss / (gain) arising from changes in financials assumptions	104.77	45.44
Actuarial loss arising from changes in experience adjustments	14.69	166.32
Benefits paid	(574.50)	(393.32)
<b>Balance at the end of the year</b>	<b>5,138.26</b>	<b>4,911.51</b>

**(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, 2025	For the year ended March 31, 2024
	Rs. Lakhs	Rs. Lakhs
Balance at the beginning of the year	5,416.79	4,769.24
Expected return on plan assets	391.64	351.97
Contribution by the Company	17.38	16.50
Benefits paid	(473.17)	(38.27)
Actuarial gains / (losses) recognised in other comprehensive income	42.57	317.35
<b>Balance at the end of the year</b>	<b>5,395.21</b>	<b>5,416.79</b>

**iii) Expense recognized in profit or loss**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. Lakhs	Rs. Lakhs
Current service cost	326.69	303.41
Interest cost	355.10	329.18
Expected return on plan assets	(391.64)	(351.97)
	<b>290.15</b>	<b>280.62</b>

**iv) Constitution of plan assets**

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. Lakhs	Rs. Lakhs
Funded with Life Insurance Corporation of India*	5,395.21	5,416.79

\* 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, 2025	For the year ended March 31, 2024
	Rs. Lakhs	Rs. Lakhs
Actuarial gain / (loss) on plan assets	42.57	317.35
Actuarial (loss) / gain arising from changes in financials assumptions	(104.77)	(45.44)
Actuarial (loss) arising from changes in experience adjustments	(14.69)	(166.32)
	<b>(76.89)</b>	<b>105.59</b>

**vi) Actuarial assumptions**

Principal actuarial assumptions (expressed as weighted averages):

Particulars	As at March 31, 2025	As at March 31, 2024
	Rs. Lakhs	Rs. Lakhs
<b>Financial assumptions</b>		
Discount rate	6.93%	7.23%
Future salary growth	5.00%	5.00%
Rate of return on plan assets	7.23%	7.38%
Expected average remaining working lives of employees (years)	16.09	16.09
<b>Demographic assumptions</b>		
Mortality rate	IALM (2012-14)	IALM (2012-14)
Withdrawal rate	Up to 30 years- 3% 31 to 44 years- 2% Above 44 years- 1%	Up to 30 years- 3% 31 to 44 years- 2% Above 44 years- 1%
Retirement age	58 years and 60 years	58 years and 60 years

## Notes to the Standalone Financial Statements (continued)

The weighted average duration of the defined benefit obligations as on March 31, 2025 is 13.64 years (March 31, 2024: 13.35 years).

Expected contributions to post-employment benefit plans for the financial year 2025-26 are Rs. 278.19 lakhs (2024-25: Rs. 230.42 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, 2025		For the year ended March 31, 2024	
	Rs. Lakhs		Rs. Lakhs	
	Increase	Decrease	Increase	Decrease
Discount rate variation of 0.50%	(165.52)	177.45	(158.22)	169.62
Future salary growth variation of 0.50%	179.36	(169.37)	171.45	(161.90)

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, 2025	As at March 31, 2024
	Rs. Lakhs	Rs. Lakhs
Within 1 year	848.87	1,039.97
1 year to 5 years	1,919.84	1,881.95
More than 5 years	2,369.55	2,216.35

### C. Compensated absences:

The obligation of compensated absence in respect of the employees of the Company as at March 31, 2025 works out to Rs. 1,558.43 lakhs (March 31, 2024: Rs. 1,447.55 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.

During the current year, the Company has surrendered the recognition granted to the PF Trust in the name of Employees Provident Fund Trust, DCM Shriram Industries Limited and Daurala Organics Limited Employees Provident Fund Trust with effect from September 01, 2024. Accordingly, the entire corpus in respect of all the active and inactive employees has been transferred to the office of respective Regional Provident Fund Commissioner (RPFC).

The following table sets out the status of Provident Fund obligation

(Rs. Lakhs)

Particulars	As at	As at
	<u>March 31, 2025</u>	<u>March 31, 2024</u>
	Rs. Lakhs	Rs. Lakhs
Net Provident Fund liability	-	2.00

**(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	For the year ended
	<u>March 31, 2025</u>	<u>March 31, 2024</u>
	Rs. Lakhs	Rs. Lakhs
Balance at the beginning of the year	-	15,839.86
Current service cost	-	602.59
Contribution by plan participants / employees	-	1,258.51
Interest cost	-	1,181.38
Actuarial loss / (gain) arising from changes in financials assumptions	-	2.06
Actuarial loss / (gain) arising from changes in experience adjustments	-	96.88
Benefits paid	-	(1,798.17)
<b>Balance at the end of the year</b>	<b>-</b>	<b>17,183.11</b>

**(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	For the year ended
	<u>March 31, 2025</u>	<u>March 31, 2024</u>
	Rs. Lakhs	Rs. Lakhs
Balance at the beginning of the year	-	15,750.81
Expected return on plan assets	-	1,181.38
Contribution by the Company	-	602.59
Contribution by plan participants / employees	-	1,258.51
Benefits paid	-	(1,798.17)
Actuarial gain/(loss) recognised in other comprehensive income	-	102.29
Shortfall funded by the Company	-	83.70
<b>Balance at the end of the year</b>	<b>-</b>	<b>17,181.11</b>

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	For the year ended
	<u>March 31, 2025</u>	<u>March 31, 2024</u>
	Rs. Lakhs	Rs. Lakhs
Current service cost	-	602.59
<b>Net cost</b>	<b>-</b>	<b>602.59</b>

# Notes to the Standalone Financial Statements (continued)

## iv) Remeasurements recognized in other comprehensive income

Particulars	For the year ended	
	March 31, 2025	March 31, 2024
	Rs. Lakhs	Rs. Lakhs
Gain / (loss) recognised in other comprehensive income	-	3.34

## v) Actuarial assumptions

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

Particulars	As at	
	March 31, 2025	March 31, 2024
	Rs. Lakhs	Rs. Lakhs
<b>Financial assumptions</b>		
Discount rate	-	7.23%
Expected statutory interest rate	-	8.25%
<b>Demographic assumptions</b>		
Mortality rate	-	IALM (2012-14)
Withdrawal rate	-	Up to 30 years- 3%
	-	31 to 44 years- 2%
	-	Above 44 years- 1%
Retirement age	-	58 years and 60 years

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		For the year ended	
	March 31, 2025		March 31, 2024	
	Rs. Lakhs		Rs. Lakhs	
	Increase	Decrease	Increase	Decrease
Discount rate variation of 0.50%	-	-	(4.05)	4.25

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.

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**45. Related party disclosures:**

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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

**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)  
Ms. 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)  
Ms. Suman Jyoti Khaitan, Independent Director (w.ef April 01, 2024)  
Mr. Harjeet Singh Chopra, Independent Director (w.e.f April 01, 2024)  
Ms. Meenakshi Behra, Independent Director (w.e.f February 02, 2025)

**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

## Notes to the Standalone Financial Statements (continued)

Ms. Kiran Khanna (upto March 31, 2024)  
M/s. P. R. Khanna (HUF) (upto March 31, 2024)  
M/s. Lala Banshi Dhar & Sons (HUF)  
Ms. Suman Banshi 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)  
Kirkoskar 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, 2025 Rs. Lakhs	For the year ended March 31, 2024 Rs. Lakhs
<b>Rent expenses</b>		
Key management personnel	22.95	-
Relatives/HUF of key management personnel	224.42	240.00
Brienworks Services Private Limited	39.28	16.37
<b>Total</b>	<b>286.65</b>	<b>256.37</b>
<b>Interest expense</b>		
Key management personnel	13.23	12.17
Relatives of Key management personnel	30.18	33.20
Independent Directors and their relatives/HUF	-	3.75
<b>Total</b>	<b>43.41</b>	<b>49.12</b>
<b>Other expenses</b>		
DCM Containers & Engineering Private Limited	250.51	141.00
<b>Purchase of stores</b>		
Fives Cail – KCP Limited	5.40	0.19

Particulars	For the year ended March 31, 2025 Rs. Lakhs	For the year ended March 31, 2024 Rs. Lakhs
<b>Advance for Share Capital</b>		
DCM Shriram Fine Chemicals Limited	20.20	411.28
DCM Shriram International Limited	778.16	-
<b>Total</b>	798.36	411.28
<b>Loan to Officers</b>		
Key management personnel	250.39	-
<b>Loan given to subsidiary</b>		
DCM Shriram International Limited	1,567.94	-
<b>Loan repaid by subsidiary</b>		
DCM Shriram International Limited	980.00	-
<b>Equity dividend paid</b>		
Relatives/HUF of key management personnel	0.03	0.03
Lily Commercial Private Limited	871.77	871.77
<b>Total</b>	871.80	871.80
<b>Security deposits paid</b>		
Key management personnel	5.70	-
<b>Advance Rent paid</b>		
Key management personnel	5.70	-
<b>Salaries and bonus including contributions made to provident fund</b>		
<b>Key management personnel</b>		
Mr. Alok B. Shriram	510.63	577.30
Mr. Madhav B. Shriram	510.63	577.30
Ms. Urvashi Tilak Dhar	510.63	577.30
Mr. Vineet Manaktala	97.56	86.02
Mr. Y. D. Gupta	62.20	56.34
Relatives of key management personnel	199.06	201.56
<b>Total</b> <b>A</b>	1,890.71	2,075.82
<b>Post-employment defined benefit plan</b>		
<b>Gratuity</b>		
<b>Key management personnel</b>		
Mr. Alok B. Shriram	4.00	2.98
Mr. Madhav B. Shriram	2.77	0.88
Ms. Urvashi Tilakdhar	2.88	3.54
Mr. Vineet Manaktala	6.52	5.64
Mr. Y.D. Gupta	7.36	7.14
Relatives of key management personnel	10.06	4.96
<b>Total</b> <b>B</b>	33.60	25.14



# Notes to the Standalone Financial Statements (continued)

Particulars	For the year ended March 31, 2025 Rs. Lakhs	For the year ended March 31, 2024 Rs. Lakhs
<b>Other long term defined benefit plan</b>		
<b>Compensated absences</b>		
<b>Key management personnel</b>		
Mr. Alok B. Shriram	5.58	4.63
Mr. Madhav B. Shriram	5.54	3.32
Ms. Urvashi Tilakdhar	5.99	7.18
Mr. Vineet Manaktala	2.03	2.24
Mr. Y.D. Gupta	1.72	1.41
Relatives of key management personnel	6.15	3.82
<b>Total</b> <b>C</b>	<b>27.01</b>	<b>22.60</b>
<b>Commission to Independent Directors</b>		
Mr. P. R. Khanna	-	26.71
Mr. S. B. Mathur	27.39	28.34
Mr. Ravinder Narain	-	23.44
Mr. S. C. Kumar	-	26.71
Ms. Kavitha Dutt Chitturi	25.85	25.07
Mr. Sanjay C. Kirloskar	24.29	21.81
Ms. Mini Ipe	-	18.55
Ms. Meenakshi Behra	3.27	-
Mr. Harjeet Singh Chopra	24.29	-
Ms. Suman Jyoti Khaitan	25.84	-
Mr. Kamal Kumar	19.64	-
Mr. Manoj Kumar	19.64	21.81
<b>Total</b> <b>D</b>	<b>170.21</b>	<b>192.44</b>
<b>Total compensation paid to key management personnel</b> <b>E=A+B+C+D</b>	<b>2,121.53</b>	<b>2,316.00</b>
<b>Post-employment defined benefit plan contribution paid to provident fund trusts</b>	<b>709.12</b>	<b>1,861.10</b>
<b>Gratuity</b>		
DCM Shriram Industries Limited Employees' Gratuity Fund Trust	15.83	16.50
<b>Other long term defined contribution plan superannuation</b>		
DCM Shriram Industries Limited Superannuation Trust	165.83	175.24

## Balances with related parties

(Rs. Lakhs)

Particulars	As at March 31, 2025 Rs. Lakhs	As at March 31, 2024 Rs. Lakhs
<b>Security deposit receivable</b>		
Key management personnel	4.56	-
Relatives/HUF of key management personnel	37.19	35.14
<b>Loan to Officers</b>		
Key management personnel	250.39	-

**Balances with related parties (Contd.)**

(Rs. Lakhs)

Particulars	As at March 31, 2025 Rs. Lakhs	As at March 31, 2024 Rs. Lakhs
<b>Advance for share capital</b>		
DCM Shriram Fine Chemicals Limited	762.75	742.55
DCM Shriram International Limited	778.50	0.34
<b>Loan to subsidiary</b>		
DCM Shriram International Limited	587.94	-
<b>Advance rent</b>		
Key management personnel	5.70	-
<b>Trade payables</b>		
DCM Containers & Engineering Private Limited	-	16.08
<b>Dividend payable</b>		
Relatives/HUF of key management personnel	0.03	0.03
Lily Commercial Private Limited	871.77	871.77
<b>Payables</b>		
<b>Public deposits including interest accrued</b>		
Key management personnel	132.27	129.06
Relatives/HUF of key management personnel	270.72	327.06
Independent Directors & their relatives	-	37.50
<b>Total</b>	<b>402.99</b>	<b>493.62</b>
<b>Provisions</b>		
Daurala Organics Limited Employees' Provident Fund Trust	-	2.00
<b>Remuneration / Commission payable</b>		
Commission to Independent Directors	170.21	192.44
Commission to key management personnel	1,134.18	1,340.24

**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).
- Maximum amount outstanding during the year in respect of loan given to subsidiary is Rs.1,567.94 lakhs.

**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.

# Notes to the Standalone Financial Statements (continued)

## i. 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
<b>Financial assets</b>							
<b>Non-current</b>							
(i) Investments	-	-	314.50	<b>314.50</b>	-	-	314.50
(ii) Loans*	-	-	35.82	<b>35.82</b>	-	-	-
(iii) Other financial assets*	-	-	588.27	<b>588.27</b>	-	-	-
<b>Current</b>							
(i) Investments*							
Debt instruments (Mutual funds)	3,358.92	-	-	<b>3,358.92</b>	3,358.92	-	-
(ii) Trade receivables*	-	-	27,587.24	<b>27,587.24</b>	-	-	-
(iii) Cash and cash equivalents*	-	-	1,876.40	<b>1,876.40</b>	-	-	-
(iv) Other bank balances*	-	-	1,186.26	<b>1,186.26</b>	-	-	-
(v) Loans*	-	-	19.73	<b>19.73</b>	-	-	-
(vi) Other financial assets*	-	-	33,484.77	<b>33,484.77</b>	-	-	-
<b>Total</b>	<b>3,358.92</b>	-	<b>65,092.99</b>	<b>68,451.91</b>			
<b>Financial liabilities</b>							
<b>Non-current</b>							
(i) Borrowings (including current maturities)#	-	-	8,482.43	<b>8,482.43</b>	-	-	8,482.43
(ii) Lease liabilities*	-	-	1,136.19	<b>1,136.19</b>	-	-	-
(iii) Other financial liabilities*	-	-	5,771.27	<b>5,771.27</b>	-	-	-
<b>Current</b>							
(i) Borrowings#	-	-	42,753.38	<b>42,753.38</b>	-	-	-
(ii) Lease liabilities*	-	-	531.21	<b>531.21</b>	-	-	-
(iii) Trade payables*	-	-	31,680.46	<b>31,680.46</b>	-	-	-
(iv) Other financial liabilities*	0.67	-	5,556.88	<b>5,557.55</b>	0.67	-	-
<b>Total</b>	<b>0.67</b>	-	<b>95,911.82</b>	<b>95,912.49</b>			

## ii. As on March 31, 2025

(Rs. Lakhs)

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
<b>Non-current</b>							
(i) Investments	-	-	314.50	<b>314.50</b>	-	-	314.50
(ii) Loans*	-	-	277.43	<b>277.43</b>	-	-	-
(iii) Other financial assets*	-	-	502.78	<b>502.78</b>	-	-	-
<b>Current</b>							
(i) Investments*							
Debt instruments (Mutual funds)	2,794.59	-	-	<b>2,794.59</b>	2,794.59	-	-
(ii) Trade receivables*	-	-	23,988.08	<b>23,988.08</b>	-	-	-
(iii) Cash and cash equivalents*	-	-	3,332.43	<b>3,332.43</b>	-	-	-
(iv) Other bank balances*	-	-	3,805.29	<b>3,805.29</b>	-	-	-
(v) Loans*	-	-	603.77	<b>603.77</b>	-	-	-
(vi) Other financial assets*	-	-	35,724.36	<b>35,724.36</b>	-	-	-
<b>Total</b>	<b>2,794.59</b>	-	<b>68,548.64</b>	<b>71,343.24</b>			
<b>Financial liabilities</b>							
<b>Non-current</b>							
(i) Borrowings (including current maturities)#	-	-	6,103.50	<b>6,103.50</b>	-	-	6,103.50
(ii) Lease liabilities*	-	-	776.53	<b>776.53</b>	-	-	-
(iii) Other financial liabilities*	-	-	6,954.37	<b>6,954.37</b>	-	-	-
<b>Current</b>							
(i) Borrowings#	-	-	44,884.79	<b>44,884.79</b>	-	-	-
(ii) Lease liabilities*	-	-	437.69	<b>437.69</b>	-	-	-
(iii) Trade payables*	-	-	29,644.80	<b>29,644.80</b>	-	-	-
(iv) Other financial liabilities*	33.49	-	5,095.60	<b>5,129.09</b>	33.49	-	-
<b>Total</b>	<b>33.49</b>	-	<b>93,897.28</b>	<b>93,930.77</b>			

- # 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 instruments with similar terms, currency, credit risk and remaining maturities to discount the future payout).
- \* The carrying amounts of trade receivables, trade payables, lease liabilities, 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 officers 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 has been no movement in Level 3 financial instruments.

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2025 and March 31, 2024

### **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, 2025	As at March 31, 2024
	Rs. Lakhs	Rs. Lakhs
Investments	3,109.09	3,673.42
Trade receivables	23,988.08	27,587.24
Cash and cash equivalents	3,332.43	1,876.40
Other bank balances	3,805.29	1,186.26
Loans	881.21	55.55
Other financial assets	36,227.14	34,073.04

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, 2025	As at March 31, 2024
	Rs. Lakhs	Rs. Lakhs
1-90 days past due *	5,499.89	3,190.90
91 to 180 days past due	1.16	28.68
More than 180 days past due #	152.89	109.56
Not due	18,344.23	24,268.20
	23,998.18	27,597.34

# Notes to the Standalone Financial Statements (continued)

- \* 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 <u>March 31, 2025</u> Rs. Lakhs	For the year ended <u>March 31, 2024</u> Rs. Lakhs
Balance at the beginning of the year	10.10	34.97
Impairment loss (reversal) / recognised	-	(24.87)
<b>Balance at the end of the year</b>	<b>10.10</b>	<b>10.10</b>

## 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. 7,137.72 lakhs as at March 31, 2025 (March 31, 2024 Rs. 3,062.66 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 <u>March 31, 2025</u> Rs. Lakhs	As at <u>March 31, 2024</u> Rs. Lakhs
From banks	5,095.21	7,283.17

## 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, 2024	Carrying amount	Contractual cash flows			
		0-1 year	More than 1 but upto 5 years	More than 5 years	Total
<b>Non-current liabilities</b>					
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	5771.27	-	5771.27	-	5,771.27
<b>Current liabilities</b>					
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
<b>Total</b>	<b>95,912.49</b>	<b>85,581.34</b>	<b>10,530.01</b>	<b>149.65</b>	<b>96,261.01</b>

(Rs. Lakhs)

As at March 31, 2025	Carrying amount	Contractual cash flows			
		0-1 year	More than 1 but upto 5 years	More than 5 years	Total
<b>Non-current liabilities</b>					
Borrowings*	3,465.68	-	3,936.56	-	3,936.56
Lease liabilities	776.53	-	806.44	96.83	903.27
Other financial liabilities	6,954.37	-	6,954.37	-	6,954.37
<b>Current liabilities</b>					
Borrowings	47,522.61	47,522.61	-	-	47,522.61
Lease liabilities	437.69	530.42	-	-	530.42
Trade payables	29,644.80	29,644.80	-	-	29,644.80
Other financial liabilities	5,129.09	5,129.09	-	-	5,129.09
<b>Total</b>	<b>93,930.77</b>	<b>82,826.92</b>	<b>11,697.37</b>	<b>96.83</b>	<b>94,621.12</b>

\* 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, 2025 and March 31, 2024.

(Rs. Lakhs)

Particulars	As at March 31, 2025			
	USD	EURO	AUD	GBP
<b>Financial assets</b>				
Trade receivables*	10,699.19	1,142.68	-	-
Advance to contractors	466.78	33.23	-	-
	<b>11,165.97</b>	<b>1,175.91</b>	-	-
<b>Financial liabilities</b>				
Trade payables	7,393.52	441.73	-	0.71
	<b>7,393.52</b>	<b>441.73</b>	-	<b>0.71</b>

# Notes to the Standalone Financial Statements (continued)

(Rs. Lakhs)

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

\* 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, 2025 (previous year ended as on March 31, 2024) 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:				
<b>For the year ended March 31, 2025</b>				
USD	37.72	(37.72)	24.54	(24.54)
EUR	7.34	(7.34)	4.78	(4.78)
GBP	(0.01)	0.01	(0.00)	0.00
	<b>45.05</b>	<b>(45.05)</b>	<b>29.32</b>	<b>(29.32)</b>
<b>For the year ended March 31, 2024</b>				
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
	<b>51.87</b>	<b>(51.87)</b>	<b>33.74</b>	<b>(33.74)</b>

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		More than 12 months	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
USD/INR Sell Forward	14	21	45.25	56.50	3,905.21	4,728.76	-	-
EUR/INR Sell Forward	6	15	14.00	42.98	1,321.52	3,919.32	-	-
EUR/USD Sell Forward	-	-	-	-	-	-	-	-
USD/INR Buy Forward	2	-	4.00	-	342.43	-	-	-

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, 2025	As at March 31, 2024
<b>Financial Assets</b>		
<b>Fixed Rate Instruments</b>		
Bank Balances other than cash and cash equivalents	3,805.29	1,186.26
Other Financial assets	1,344.91	2,516.72
<b>Total</b>	<b>5,150.20</b>	<b>3,702.98</b>
<b>Financial Liabilities</b>		
<b>Fixed Rate Instruments</b>		
Term loans	575.83	2,510.08
Public Deposits	746.99	902.86
<b>Variable-rate instruments</b>		
Term loans	4,780.68	5,069.49
Cash Credit	44,884.79	42,753.38
<b>Total</b>	<b>50,988.29</b>	<b>51,235.81</b>

#### 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
<b>For the year ended March 31, 2025</b>				
Interest on term loans	(47.81)	47.81	(31.10)	31.10
Interest on cash credits	(448.85)	448.85	(292.00)	292.00
<b>For the year ended March 31, 2024</b>				
Interest on term loans	(50.69)	50.69	(32.98)	32.98
Interest on cash credits	(427.53)	427.53	(278.14)	278.14



# Notes to the Standalone Financial Statements (continued)

## 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, 2025	As at March 31, 2024
Borrowings	50,988.29	51,235.81
Less : Cash and cash equivalents	(3,332.43)	(1,876.40)
<b>Adjusted net debt (A)</b>	<b>47,655.86</b>	<b>49,359.41</b>
<b>Total equity (B)</b>	<b>87,986.00</b>	<b>79,746.02</b>
<b>Adjusted net debt to total equity ratio (A/B)</b>	<b>54.16%</b>	<b>61.90%</b>

48. Research expenses amounting to Rs. 500.90 lakhs (March 31, 2024: Rs. 617.10 lakhs) have been charged to the respective revenue accounts. Capital expenditure relating to development amounting to Rs. 56.81 lakhs (March 31, 2024: Rs. Nil) 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, 2025 Rs. Lakhs	For the year ended March 31, 2024 Rs. Lakhs
(a) Amounts remaining unpaid to suppliers under MSMED (suppliers) as at the end of year.		
- Principal amount	1,805.13	1,309.68
-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, 2025 Rs. Lakhs	For the year ended March 31, 2024 Rs. Lakhs
Subvention on loan interest	Other income	31.55	72.69
Interest subsidy in respect of Loans at concessional rate	Other income	34.43	138.25
Duty drawback and other incentives (net of provision)	Other operating revenue	1,245.92	1,548.70

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

Particulars	Amount as on March 31, 2025	Amount as on March 31, 2024	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
<b><u>Property, Plant and Equipment</u></b>					
<b><u>Freehold Land</u></b>					
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 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)
<b><u>Leasehold Land</u></b>					
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)
<b>Total</b>	<b>888.99</b>	<b>888.99</b>			

## 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.

## Notes to the Standalone Financial Statements (continued)

During FY 2022-23, 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.3,480.85 lakhs as of March 31, 2025 (Rs. 2,249.50 lakhs as at March 31, 2024) as duty under protest in respect of GST, shown as 'Government dues paid and recoverable' 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. 33,843.88 lakhs as at March 31, 2025 (Rs. 30,580.42 lakhs as at March 31, 2024) under "Provisions (current)". Basis the undertaking from the buyer, the Company has recognized corresponding reimbursement assets amounting to Rs. 33,843.88 lakhs as at March 31, 2025 (Rs. 30,580.42 lakhs as at March 31, 2024) under "Other financial assets (current)".

The amounts aggregating Rs. 6,898.37 lakhs as at March 31, 2025 (Rs.5,667.02 lakhs as at March 31, 2024) 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 statement of profit and loss 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, 2025 Rs. Lakhs	As at March 31, 2024 Rs. Lakhs
<b>Current assets</b>			
Inventories	10	78,795.30	73,954.47
Trade receivables	12	23,988.08	27,587.24
Cash and cash equivalents	13	1,567.51	125.13
Other bank balances	14	3,670.52	1,027.87
Loans	15	596.84	9.54
Other financial assets	16	1,911.46	2,828.10
Other current assets	17	2,562.35	2,145.16
<b>Total (I)</b>		<b>1,13,092.05</b>	<b>1,07,677.51</b>
<b>Non-current asset</b>			
Property, plant and equipment	3	60,911.85	58,667.52
Capital work-in progress	3	330.02	684.18
Intangible assets	4	89.61	155.89
Loans	6	10.89	13.60
Other financial assets	7	405.53	509.02
Income-tax assets (net)	8	-	129.98
Other non-current assets	9	122.78	183.86
<b>Total (II)</b>		<b>61,870.67</b>	<b>60,344.06</b>
<b>Grand Total (I&amp;II)</b>		<b>1,74,962.72</b>	<b>1,68,021.57</b>

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 has been cleared by BSE and NSE under listing regulations and has been filed for approval with Hon'ble NCLT, New Delhi on 23rd October, 2024 as required under section 230-232 of the Companies Act, 2013. Pending necessary approvals, the effect of the Scheme has not been given in the financial statements.

55. a) The Company has subscribed to 10,00,00,000 equity shares of Rs. 2 each in DCM Shriram Fine Chemicals Limited, a wholly owned subsidiary of the Company. Additional advance of Rs. 20.20 lakhs has been given during the year and, accordingly, an amount of Rs. 762.75 lakhs (March 31, 2024: Rs. 742.55 lakhs) has been shown as "Advance against share capital" and included in Note no. 5 "Investment-Non current".
- b) The Company has 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. 778.16 lakhs had been given during the year and, accordingly, an amount of Rs. 778.50 lakhs (March 31, 2024: 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**

Particulars	As at March 31, 2025 Rs. Lakhs	As at March 31, 2024 Rs. Lakhs
Building	-	33.87

During the year ended 31 March 2025, the Company completed the sale of building, which had been classified as a non-current asset held for sale as at 31 March 2024. The assets, had a carrying amount of Rs.33.87 lakhs at the time of classification. The asset was sold during the year for total proceeds of Rs.115.00 lakhs, resulting in a gain on disposal of Rs. 81.13 lakhs, which has been recognized under "Other income" in the statement of profit or loss.

**57. Financial Ratios:**

Particulars	Numerator	Denominator	31-Mar-25	31-Mar-24	Variance
(a) Current Ratio	Current assets	Current liabilities	1.3	1.2	4.9%
(b) Debt- Equity Ratio	Total Debt	Total Equity	0.6	0.6	(9.8)%
(c) Debt Service Coverage Ratio**	Earnings available for debt service*	Scheduled Debt Service	3.0	2.4	27.4%
(d) Return on Equity Ratio	Net Profits after taxes	Average Shareholders' Equity	12.0%	15.4%	(22.1)%
(e) Inventory Turnover Ratio	Cost of goods sold	Average Inventory	1.6	1.8	(10.8)%
(f) Trade Receivable Turnover Ratio	Revenue	Average Trade Receivables	8.0	8.0	(1.1)%
(g) Trade Payable Turnover Ratio	Purchases and other expenses	Average Trade Payables	5.6	5.8	(3.7)%
(h) Net Capital Turnover Ratio	Revenue	Working Capital	6.3	8.2	(23.2)%
(i) Net Profit Ratio	Net Profit	Total Income	4.8%	5.5%	(11.8)%
(j) Return on Capital Employed	Earning before interest and taxes	Average Capital Employed #	19.2%	22.4%	(14.2)%
(k) Return on Investment	Income generated from investments	Time weighted average investments	7.3%	7.3%	0.5%

\* PBT + Depreciation + Interest on Term Loan - Taxes

# Tangible net worth + Long term debt + Deferred tax liabilities

\*\* Higher due to repayment of long term debt

**58. Additional regulatory information:**

- The Company does not have any benami property, and no proceeding has been initiated against the Company for holding any benami property.
- The Company does not have any transactions with struck off companies.
- Details of charges / satisfaction which are yet to be registered with Registrar of Companies (ROC).

# Notes to the Standalone Financial Statements (continued)

Pending Satisfaction/Registration	Brief description of the charges or satisfaction	Location of Registrar	Amount of Charge (Rs. Lakhs)	Reason for delay in satisfaction
<b>Satisfaction</b>	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	<p>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.</p> <p>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 was a technical issue at ROC for online updation of satisfaction, which is under discussion with ROC.</p> <p>The charge has subsequently been satisfied on 01 April 2025.</p>

- 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:
- 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 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:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or
  - provide any guarantee, security or the like 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 dated February 15, 2024 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

### Adhir Kapoor

Partner

Membership No.: 098297

Place: New Delhi

Date: May 29, 2025

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

### Vineet Manaktala

Director Finance & Chief Financial Officer

DIN: 09145644

### Alok B. Shriram

Sr. Managing Director

DIN: 00203808

### Y.D. Gupta

Vice President & Company Secretary

Membership No.: 3405

Place: New Delhi

Date: May 29, 2025

### S.B. Mathur

Chairman

DIN: 00013239

### Madhav B. Shriram

Managing Director

DIN: 00203521

### Urvashi Tilakdhar

Wholtime Director

DIN: 00294265

## 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 2025, 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 auditors on separate financial statements of such subsidiaries and associate as were audited by the other auditors, 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 2025, of its consolidated profit and other comprehensive loss, 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 reimbursable asset as at 31 March 2025 [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.	<p>We performed the following procedures in this regard:</p> <ul style="list-style-type: none"> <li>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.</li> </ul>

# INDEPENDENT AUDITOR'S REPORT (continued)

<p>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.</p> <p>Various demands raised by the VAT/ GST authorities are being contested, and have been assessed for creating provision/ disclosures in the consolidated financial statements.</p> <p>The Holding Company has recognised a reimbursement asset based on a legal undertaking by such customer to indemnify the Holding Company for any liability that may finally arise in the matter.</p> <p>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.</p>	<ul style="list-style-type: none"><li>• Evaluated the design and tested the operating effectiveness of controls around the management's assessment.</li><li>• Assessed the appropriateness of methods used, reliability of underlying data used for quantification of amounts.</li><li>• 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.</li><li>• 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.</li><li>• Examined management's assessment including discussions with in house legal team in respect of recoverability of recognized reimbursable asset.</li><li>• Examined the underlying agreement, indemnity arrangement, the independent confirmation received from the customer and evaluated the financial position of customer as regards the recognition of reimburseable asset.</li><li>• Evaluated the adequacy of disclosures made with respect to requirements of Ind-AS 37 regarding the matter.</li></ul>
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## 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 audit reports 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



# INDEPENDENT AUDITOR'S REPORT (continued)

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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. 4,134.70 lakhs as at 31 March 2025, total revenues (before consolidation adjustments) of Rs. 104.97 lakhs and net cash outflows (before consolidation adjustments) amounting to Rs. 8.60 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 loss) of Rs 126.12 lakhs for the year ended 31 March 2025, 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.

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 auditors 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 1 April 2025 and 14 April 2025 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 2025 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) of the Act 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 2025 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 2025.
  - 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 2025.
  - 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

# INDEPENDENT AUDITOR'S REPORT (continued)

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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, the Holding Company and its subsidiaries and associate 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 except in case of Holding Company, the audit trail (edit log) facility has not been enabled at data baselevel level for the period from 1 April 2024 to 19 March 2025 to log any direct data changes in respect of accounting software.

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. Additionally, the Holding Company and its subsidiaries and its associate have preserved the audit trail from the date of its enablement in the accounting software.

- 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

**Adhir Kapoor**  
Partner  
Membership No.: 098297  
ICAI UDIN: 2509829BMUJLN7581

Place: New Delhi  
Date: 29 May 2025

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**Annexure A to the Independent Auditor's Report on the Consolidated Financial Statements of DCM Shriram Industries Limited for the year ended 31 March 2025**

**(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

**Adhir Kapoor**  
Partner  
Membership No.: 098297  
ICAI UDIN: 2509829BMUJLN7581

Place: New Delhi  
Date: 29 May 2025

# **INDEPENDENT AUDITOR'S REPORT** (continued)

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**Annexure B to the Independent Auditor's Report on the consolidated financial statements of DCM Shriram Industries Limited for the year ended 31 March 2025**

**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 2025, 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 2025, 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

**Adhir Kapoor**  
Partner  
Membership No.: 098297  
ICAI UDIN: 2509829BMUJLN7581

Place: New Delhi  
Date: 29 May 2025

# DCM SHRIRAM INDUSTRIES LIMITED

## Consolidated Balance Sheet as at March 31, 2025

Particulars	Note	As at March 31, 2025 Rs. lakhs	As at March 31, 2024 Rs. lakhs
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	65,035.21	61,033.76
Capital work-in progress	3	330.02	684.18
Right-of-use assets	41	1,075.01	1,485.53
Intangible assets	4	89.61	155.89
Intangible assets under development	4	19.40	-
Equity accounted investees	5	1,548.88	1,422.76
<b>Financial assets</b>			
(i) Investments	6	314.50	314.50
(ii) Loans	7	277.43	35.82
(iii) Other financial assets	8	503.78	699.92
Income-tax assets (net)	9	1,042.66	2,348.39
Other non-current assets	10	7,790.02	6,084.82
<b>Total non-current assets</b>		<b>78,026.52</b>	<b>74,265.57</b>
<b>Current assets</b>			
Inventories	11	78,795.30	73,954.47
<b>Financial assets</b>			
(i) Investments	12	2,794.59	3,358.92
(ii) Trade receivables	13	23,988.08	27,587.24
(iii) Cash and cash equivalents	14	3,369.23	1,882.69
(iv) Bank balances other than (iii) above	15	3,805.29	1,186.26
(v) Loans	16	15.83	19.73
(vi) Other financial assets	17	37,189.69	34,761.47
Other current assets	18	3,092.12	2,844.60
Asset held for sale	58	-	33.87
<b>Total current assets</b>		<b>1,53,050.13</b>	<b>1,45,629.25</b>
<b>TOTAL ASSETS</b>		<b>2,31,076.65</b>	<b>2,19,894.82</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	19	1,739.84	1,739.84
Other equity	20	88,155.22	79,798.16
<b>Total equity</b>		<b>89,895.06</b>	<b>81,538.00</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	21	4,437.73	3,553.44
(ii) Lease liabilities	41	776.53	1,136.19
(iii) Other financial liabilities	22	6,954.37	5,771.27
<b>Provisions</b>	23	1,318.62	1,102.14
Deferred tax liabilities (net)	39	8,123.87	7,873.07
Other non-current liabilities	24	27.05	21.54
<b>Total non-current liabilities</b>		<b>21,638.17</b>	<b>19,457.65</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
(i) Borrowings	25	47,747.61	47,682.37
(ii) Lease liabilities	41	437.69	531.21
(iii) Trade payables	26		
- Total outstanding dues of micro enterprises and small enterprises;		1,805.13	1,309.68
- Total outstanding dues of creditors other than micro enterprises and small enterprises		27,842.33	30,373.44
(iv) Other financial liabilities	27	5,129.09	5,557.55
Other current liabilities	28	1,514.93	1,450.87
Provisions	29	34,439.39	31,288.08
Current tax liabilities (net)		627.25	705.97
<b>Total current liabilities</b>		<b>1,19,543.42</b>	<b>1,18,899.17</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,31,076.65</b>	<b>2,19,894.82</b>
<b>Material Accounting Policies</b>	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

#### Adhir Kapoor

Partner

Membership No.: 098297

Place: New Delhi

Date: May 29, 2025

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

#### Vineet Manaktala

Director Finance & Chief Financial Officer

DIN: 09145644

#### Alok B. Shriram

Sr. Managing Director

DIN: 00203808

#### Y.D. Gupta

Vice President & Company Secretary

Membership No.: 3405

Place: New Delhi

Date: May 29, 2025

#### S.B. Mathur

Chairman

DIN: 00013239

#### Madhav B. Shriram

Managing Director

DIN: 00203521

#### Urvashi Tilakdhar

Wholetime Director

DIN: 00294265



**DCM SHRIRAM INDUSTRIES LIMITED****Consolidated Statement of Profit and Loss for the year ended March 31, 2025**

Particulars	Note	For the year ended March 31, 2025 Rs. lakhs	For the year ended March 31, 2024 Rs. lakhs
Revenue from operations	30	2,05,158.98	2,08,290.18
Other income	31	3,165.58	2,255.18
<b>Total Income</b>		<b>2,08,324.56</b>	<b>2,10,545.36</b>
<b>Expenses</b>			
Cost of materials consumed	32	1,24,383.75	1,30,302.11
Purchase of traded goods	33	-	5,713.42
Changes in inventories of finished goods and work-in-progress	34	(2,609.11)	(13,152.74)
Employee benefits expense	35	20,236.04	19,410.57
Finance costs	36	3,542.60	3,576.54
Depreciation and amortisation expense	37	4,008.10	3,891.80
Other expenses	38	43,270.51	43,570.22
<b>Total expenses</b>		<b>1,92,831.89</b>	<b>1,93,311.92</b>
<b>Profit before share of profit of equity accounted investees and tax</b>		<b>15,492.67</b>	<b>17,233.44</b>
<b>Share of profit of equity accounted investee ( net of tax)</b>		<b>126.43</b>	<b>25.36</b>
<b>Profit before tax</b>		<b>15,619.10</b>	<b>17,258.80</b>
<b>Tax expense</b>			
Current tax	39	5,203.35	5,363.89
Deferred tax	39	268.52	354.67
		<b>5,471.87</b>	<b>5,718.56</b>
<b>Profit for the year</b>		<b>10,147.23</b>	<b>11,540.24</b>
<b>Other comprehensive (loss) / income</b>			
<b>Items that will not be reclassified to profit and loss</b>			
Re-measurement (loss) / gain on defined benefit obligation		(76.89)	108.93
Income tax pertaining to items that will not be reclassified to profit or loss		26.87	(38.07)
Share of OCI of equity accounted investees (net of tax )		(0.31)	-
<b>Total other comprehensive (loss) / income, net of taxes</b>		<b>(50.33)</b>	<b>70.86</b>
<b>Total comprehensive income</b>		<b>10,096.90</b>	<b>11,611.10</b>
<b>Profit for the year attributable to</b>	50		
- Owners of the Company		10,147.23	11,540.24
- Non-controlling interest		-	-
<b>Other comprehensive income for the year attributable to</b>	50		
- Owners of the Company		(50.33)	70.86
- Non-controlling interest		-	-
<b>Total comprehensive income for the year attributable to</b>	50		
- Owners of the Company		10,096.90	11,611.10
- Non-controlling interest		-	-
<b>Earnings per equity share of Rs. 2 each - basic/ diluted (Rs.)</b>	44	<b>11.66</b>	<b>13.27</b>
<b>Material Accounting Policies</b>	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 &amp; Co. LLP

Chartered Accountants

ICAI Firm Registration no.:

101248W/W-100022

Adhir Kapoor

Partner

Membership No.: 098297

Place: New Delhi

Date: May 29, 2025

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

Vineet Manaktala

Director Finance &amp; Chief Financial Officer

DIN: 09145644

Alok B. Shriram

Sr. Managing Director

DIN: 00203808

Y.D. Gupta

Vice President &amp; Company Secretary

Membership No.: 3405

Place: New Delhi

Date: May 29, 2025

S.B. Mathur

Chairman

DIN: 00013239

Madhav B. Shriram

Managing Director

DIN: 00203521

Urvashi Tilakdhar

Wholetime Director

DIN: 00294265



# DCM SHRIRAM INDUSTRIES LIMITED

## Statement of Consolidated Changes in Equity for the year ended March 31, 2025

### A. Equity share capital

Particulars	Rs. lakhs
<b>Balance as at April 1, 2023</b>	1,739.84
Changes in equity share capital during the year ended March 31, 2024	-
<b>Balance as at March 31, 2024</b>	1,739.84
Changes in equity share capital during the year ended March 31, 2025	-
<b>Balance as at March 31, 2025</b>	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, 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 for the year net of tax	-	-	-	-	-	70.86	70.86
<b>Total comprehensive income for the year</b>	-	-	-	-	-	11,611.10	11,611.10
<b>Transactions with shareholders, recorded directly in equity</b>						-	-
<b>Distribution to shareholders</b>						-	-
Interim dividend on equity shares (Rs.2.00 per equity share of nominal value of Rs.2 each)						(1,739.84)	(1,739.84)
<b>Balance as at March 31, 2024</b>	1,411.38	13,465.60	0.10	234.89	3,406.68	61,279.51	79,798.16
<b>Balance as at April 1, 2024</b>	1,411.38	13,465.60	0.10	234.89	3,406.68	61,279.51	79,798.16
Profit for the year	-	-	-	-	-	10,147.23	10,147.23
Other comprehensive (loss) for the year net of tax	-	-	-	-	-	(50.33)	(50.33)
<b>Total comprehensive income for the year</b>	-	-	-	-	-	10,096.90	10,096.90
<b>Transactions with shareholders, recorded directly in equity</b>							
<b>Distribution to shareholders</b>							
Interim dividend on equity shares (Rs. 2 per equity share of nominal value of Rs.2 each)	-	-	-	-	-	(1,739.84)	(1,739.84)
<b>Balance as at March 31, 2025</b>	1,411.38	13,465.60	0.10	234.89	3,406.68	69,636.57	88,155.22

### Nature and purpose of reserve

#### a. Amalgamation reserve

Amalgamation 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

**Adhir Kapoor**

Partner

Membership No.: 098297

Place: New Delhi

Date: May 29, 2025

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

**Vineet Manaktala**

Director Finance & Chief Financial Officer

DIN: 09145644

**Alok B. Shriram**

Sr. Managing Director

DIN: 00203808

**Y.D. Gupta**

Vice President & Company Secretary

Membership No.: 3405

Place: New Delhi

Date: May 29, 2025

**S.B. Mathur**

Chairman

DIN: 00013239

**Madhav B. Shriram**

Managing Director

DIN: 00203521

**Urvashi Tilakdhar**

Wholtime Director

DIN: 00294265

**DCM SHRIRAM INDUSTRIES LIMITED****Consolidated statement of cash flow for the period ended March 31, 2025**

Particulars	For the Year ended March 31, 2025 Rs. Lakhs	For the Year ended March 31, 2024 Rs. Lakhs
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	15,619.10	17,258.77
Adjustments for :		
Depreciation and amortisation	4008.10	3,891.79
Finance costs	3,542.61	3,576.54
Interest income	(502.24)	(224.12)
Interest income against subvention	(65.98)	(210.94)
Interest on income tax refund	(741.10)	-
Gain on sale of property, plant and equipment / discarded assets (net)	(22.45)	(11.42)
Gain on disposal of non-current asset held for sale	(81.13)	-
Share of profit of equity accounted investees (net of tax)	(126.43)	(25.36)
Provisions/liabilities no longer required written back	(222.72)	(109.16)
Profit on sale of current investments	(80.01)	(137.62)
Net gain on fair value of investments	(160.42)	(97.88)
Operating profit before changes in assets and liabilities	21,167.33	23,910.60
Changes in assets and liabilities		
(Decrease)/increase in trade payables	(1,812.93)	4,206.96
Increase in financial liabilities	768.87	152.71
Increase in other liabilities and provisions	3,360.48	4,354.01
Decrease/(Increase) in trade receivables	3,599.16	(3,363.02)
Increase in inventories	(4,840.83)	(10,471.55)
Increase in financial assets	(2,417.00)	(6,673.69)
Increase in other assets	(1,420.01)	(1,003.69)
Cash generated from operations	18,405.07	11,112.33
Income tax paid (net)	(3,226.38)	(3,448.77)
Net cash from operating activities ( A )	15,178.69	7,663.56
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure on acquisition of items of property, plant and equipments and intangible assets, including capital work in progress	(7,838.81)	(3,572.91)
Proceeds from sale of property, plant and equipments	375.47	161.99
Investment in mutual fund (net)	(2,149.89)	(3,474.83)
Proceeds from sale of current investments	2,954.64	3,186.76
Changes in bank desposit	(57.62)	(412.07)
Changes in other bank balances	(2,619.03)	(437.25)
Interest received	507.77	223.05
Net cash (used in) investing activities ( B )	(8,827.47)	(4,325.26)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long term borrowings	3,764.91	900.00
Repayment of long term borrowings	(4,917.74)	(7,233.46)
Proceeds from short term borrowings (net)	2,131.41	8,054.30
Repayment of Lease Liabilities	(553.36)	(508.27)
Finance costs paid (Net of subvention)	(3,526.45)	(3,399.92)
Dividend paid	(1,763.46)	(52.50)
Net cash (used in) financing activities ( C )	(4,864.69)	(2,239.85)
Net decrease in cash and cash equivalents (A+B+C)	1,486.53	1,098.45
Cash and cash equivalents at the beginning of the year	1,882.70	784.25
Cash and cash equivalents at the end of the year	3,369.23	1,882.70
Components of cash and cash equivalents		
Balances with scheduled banks:		
- Current accounts	3,355.41	1,866.50
- Cash in hand	13.82	16.20
Cash and cash equivalents at the end of the year	3,369.23	1,882.70

**DCM SHRIRAM INDUSTRIES LIMITED****Statement of Consolidated Changes in Equity** for the year ended March 31, 2025**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, 2023	14,973.71	34,699.08	1,532.90	51,205.69
Cash flows during the year	(7,346.61)	5,811.15	(651.89)	(2,187.35)
Non-cash changes due to:				
- Interest expense (net of subvention)	978.83	2,243.15	-	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	8,605.93	42,753.38	1,667.38	53,026.69
Opening balance as at April 1, 2024	8,605.93	42,753.38	1,667.38	53,026.69
Cash flows during the year	(1,869.54)	(546.86)	(684.83)	(3,101.23)
Non-cash changes due to:				
- Interest expense (net of subvention)	666.89	2,678.27	-	3,345.16
- Finance cost on lease liability	-	-	131.47	131.47
- Lease liability recognised	-	-	100.18	100.18
Closing balance as at March 31, 2025	7,403.28	44,884.79	1,214.20	53,502.27

\* 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 27.

# This does not include current maturities of loan term borrowings

**Notes**

- 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

**Adhir Kapoor**

Partner

Membership No.: 098297

Place: New Delhi

Date: May 29, 2025

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

**Vineet Manaktala**

Director Finance & Chief Financial Officer

DIN: 09145644

**Alok B. Shriram**

Sr. Managing Director

DIN: 00203808

**Y.D. Gupta**

Vice President & Company Secretary

Membership No.: 3405

Place: New Delhi

Date: May 29, 2025

**S.B. Mathur**

Chairman

DIN: 00013239

**Madhav B. Shriram**

Managing Director

DIN: 00203521

**Urvashi Tilakdhar**

Wholtime Director

DIN: 00294265

## 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.

# Notes to the Consolidated Financial Statements (continued)

## (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
			2024-25	2023-24	
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:

- 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.
- 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.
- 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, 2025, are approved by the Holding Company's Audit Committee and by the Board of Directors on May 29, 2025.

**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 cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. 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 company 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.



## Notes to the Consolidated Financial Statements (continued)

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. An intangible asset is recognised only if it is probable that future economic benefits attributable to the asset will flow to the Group. 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 from contract with customers**

**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) Operating Segments**

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 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 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,

## Notes to the Consolidated Financial Statements (continued)

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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) Non-current 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. On May 07, 2025, MCA issued the Companies (Indian Accounting Standards) Amendment Rules, 2025, which made certain amendments to Ind AS 21 The Effects of Changes in Foreign Exchange Rates, effective from April 01, 2025. These amendments define currency exchangeability and include guidance on estimating spot exchange rates when a currency is not exchangeable. The Group does not expect this amendment to have any significant impact in its financial statements.

**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
<b>Gross carrying amount</b>										
<b>Balance as at April 1, 2023</b>	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
<b>Balance as at March 31, 2024</b>	<b>822.29</b>	<b>2,755.85</b>	<b>423.56</b>	<b>6,520.44</b>	<b>64,496.70</b>	<b>1,371.11</b>	<b>1,619.82</b>	<b>285.24</b>	<b>78,295.01</b>	<b>684.18</b>
Add: Additions during the year	-	-	-	2,111.19	4,923.60	465.41	136.42	27.19	7,663.81	4,641.42
Less: Disposals/Adjustments/ Capitalised during the year	-	-	-	13.41	408.90	213.84	72.26	8.95	717.36	4,995.58
<b>Balance as at March 31, 2025</b>	<b>822.29</b>	<b>2,755.85</b>	<b>423.56</b>	<b>8,618.22</b>	<b>69,011.40</b>	<b>1,622.68</b>	<b>1,683.98</b>	<b>303.48</b>	<b>85,241.46</b>	<b>330.02</b>
<b>Accumulated depreciation</b>										
<b>Balance as at April 1, 2023</b>	-	-	125.86	1,266.20	11,637.34	427.15	640.27	155.86	14,252.68	-
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	-
<b>Balance as at March 31, 2024</b>	<b>-</b>	<b>-</b>	<b>157.86</b>	<b>1,465.17</b>	<b>14,135.44</b>	<b>436.85</b>	<b>881.53</b>	<b>184.40</b>	<b>17,261.25</b>	<b>-</b>
Add: Depreciation expense during the year	-	-	32.00	201.87	2,714.27	175.62	268.28	32.31	3,424.34	-
Less: Disposals / adjustments during the year	-	-	-	13.75	271.99	126.64	60.52	6.44	479.34	-
<b>Balance as at March 31, 2025</b>	<b>-</b>	<b>-</b>	<b>189.86</b>	<b>1,653.29</b>	<b>16,577.72</b>	<b>485.83</b>	<b>1,089.29</b>	<b>210.27</b>	<b>20,206.25</b>	<b>-</b>
<b>Net carrying value</b>										
<b>As at March 31, 2025</b>	<b>822.29</b>	<b>2,755.85</b>	<b>233.70</b>	<b>6,964.93</b>	<b>52,433.68</b>	<b>1,136.85</b>	<b>594.69</b>	<b>93.20</b>	<b>65,035.21</b>	<b>330.02</b>
As at March 31, 2024	822.29	2,755.85	265.70	5,055.27	50,361.26	934.26	738.29	100.85	61,033.76	684.18

# Notes to the Consolidated Financial Statements (continued)

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	
<b>As at March 31, 2025</b>					
Projects in progress	330.02			-	330.02
<b>Total</b>	330.02	-	-	-	330.02
<b>As at March 31, 2024</b>					
Projects in progress	220.61	-	-	-	220.61
<b>Total</b>	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, 2024- Rs Nil) with a capitalisation rate of Nil (March 31, 2024-Nil)
- 4) Leasehold lands are in the nature of perpetual lease.
- 5) There is no capital work in progress project whose completion is overdue or has exceeded its cost compared to its plan

## 4. Intangible assets

(Rs. lakhs)

Particulars	Intangible assets- Software	Intangible assets under development
<b>Gross carrying amount</b>		
Balance as at April 1, 2023	546.56	-
Add: Additions during the year	1.46	-
Less: Disposals / adjustments/ capitalized during the year	-	-
<b>Balance as at March 31, 2024</b>	548.02	-
Add: Additions during the year	3.22	19.40
Less: Disposals / adjustments/ capitalized during the year	-	-
<b>Balance as at March 31, 2025</b>	551.24	19.40
<b>Accumulated amortisation</b>		
Balance as at April 1, 2023	308.40	-
Add: Amortisation expense during the year	83.73	-
Less: Disposals / adjustments during the year	-	-
<b>Balance as at March 31, 2024</b>	392.13	-
Add: Amortisation expense for the year	69.50	-
Less: Disposals / adjustments during the year	-	-
<b>Balance as at March 31, 2025</b>	461.63	-
<b>Net carrying value</b>		
<b>As at March 31, 2025</b>	89.61	19.40
As at March 31, 2024	155.89	-

Ageing of Intangible assets under development is as under:

(Rs. lakhs)

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2025</b>					
Projects in progress	19.40	-	-	-	19.40
<b>As at March 31, 2024</b>					
Projects in progress	-	-	-	-	-

## 5. Equity accounted investees

	As at <u>March 31, 2025</u> Rs. Lakhs	As at <u>March 31, 2024</u> Rs. Lakhs
<b>Investments in equity shares of associate</b>		
<b>Unquoted equity instruments</b>		
DCM Hyundai Limited		
19,72,000 (March 31, 2024 - 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	 1,382.88	 1,256.76
	<u>1,548.88</u>	<u>1,422.76</u>

## 6. Investments- Non current

	As at <u>March 31, 2025</u> Rs. Lakhs	As at <u>March 31, 2024</u> Rs. Lakhs
<b>Investment in equity instruments</b>		
<b>Unquoted equity instruments at cost</b>		
Daurala Co-operative Development Union Limited		
2 (March 31, 2024 - 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, 2024 - 9,797) equity shares of Face value of 1 Turkish Lira each, fully paid up	314.50	314.50
 <b>Total</b>	 <u>314.50</u>	 <u>314.50</u>
 <b>Aggregate value of non-current unquoted investments</b>	 314.50	 314.50

\*The investment is valued at Rs.20

## 7. Loans- Non current

*(unsecured, considered good unless otherwise stated)*

	As at <u>March 31, 2025</u> Rs. Lakhs	As at <u>March 31, 2024</u> Rs. Lakhs
<b>To related parties (refer note 46)</b>		
Loans to officers	250.39	-
<b>To parties other than related parties</b>		
Loans to employees	27.04	35.82
<b>Total</b>	<u>277.43</u>	<u>35.82</u>

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



## Notes to the Consolidated Financial Statements (continued)

### 8. Other financial assets- Non current

	As at March 31, 2025 Rs. Lakhs	As at March 31, 2024 Rs. Lakhs
Security deposits (Unsecured, considered good)		
- to related parties (refer note 46)	41.75	35.14
- Others	380.40	446.62
Bank deposits		
- with more than 12 months maturity	11.71	191.92
- held as margin money or security against borrowings, guarantees and other commitments	69.92	26.24
<b>Total</b>	<b>503.78</b>	<b>699.92</b>

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

### 9. Income tax assets (net)

	As at March 31, 2025 Rs. Lakhs	As at March 31, 2024 Rs. Lakhs
Advance income tax (net of provision)	1,042.66	2,348.39
<b>Total</b>	<b>1,042.66</b>	<b>2,348.39</b>

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, 2025 Rs. Lakhs	As at March 31, 2024 Rs. Lakhs
<b>To parties other than related parties</b>		
Capital advances	578.83	42.16
Deferred rent	2.58	2.96
Government dues paid and recoverable (refer note 55)	6,898.37	5,667.02
Balance with government authorities	240.66	238.12
Advances to employees	10.07	25.06
Prepaid expenses	59.51	109.50
<b>Total</b>	<b>7,790.02</b>	<b>6,084.82</b>

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 <u>March 31, 2025</u> Rs. Lakhs	As at <u>March 31, 2024</u> Rs. Lakhs
Raw materials*	14,206.57	10,415.79
Work in progress	1,919.12	1,848.08
Finished goods**#	57,790.37	55,252.30
Stores and spares	4,879.24	6,438.30
<b>Total</b>	<u>78,795.30</u>	<u>73,954.47</u>

\* Include raw materials in transit Rs. 613.98 lakhs (March 31, 2024: Rs. 250.10 lakhs)

\*\* Include finished goods in transit Rs. 736.38 lakhs (March 31, 2024: Rs. 1,051.06 lakhs)

# The write-down of inventories to net realisable value amounted to Rs. 925.92 lakhs (March 31, 2024: Rs. 786.21 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 <u>March 31, 2025</u> Rs. Lakhs	As at <u>March 31, 2024</u> Rs. Lakhs
<b>Investment in mutual funds measured at fair value through profit and loss</b>		
<b>Unquoted investments</b>		
7,522.73 (March 31, 2024: 1,326.72) HDFC Liquid Fund – Growth Direct Plan Units of Rs. 1000 each	383.09	62.93
3,74,840.16 (March 31, 2024: 5,71,951.25) ICICI Prudential Liquid Fund – Growth Direct Plan Units of Rs. 100 each	1,438.99	2,044.19
23,977.48 (March 31, 2024: 33,122.67) SBI Liquid Fund – Growth Direct Plan Units of Rs. 1000 each	972.51	1,251.80
	<u>2,794.59</u>	<u>3,358.92</u>
Aggregate amount of unquoted investments	2,794.59	3,358.92

## 13. Trade receivables

	As at <u>March 31, 2025</u> Rs. Lakhs	As at <u>March 31, 2024</u> Rs. Lakhs
<b>To parties other than related parties</b>		
Unsecured, considered good	23,988.08	27,587.24
Unsecured, credit impaired	10.10	10.10
	<u>23,998.18</u>	<u>27,597.34</u>
Less : Loss allowance for trade receivables	10.10	10.10
<b>Total</b>	<u>23,988.08</u>	<u>27,587.24</u>

# Notes to the Consolidated Financial Statements (continued)

Ageing of trade receivables as on March 31, 2025 is as under:

(Rs. Lakhs)

Particulars	Not due <sup>^</sup>	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	18,344.23	5,501.06	38.23	16.85	4.40	8.28	23,913.05
- 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
<b>Total</b>	<b>18,344.23</b>	<b>5,501.06</b>	<b>38.23</b>	<b>16.85</b>	<b>4.40</b>	<b>93.41</b>	<b>23,998.18</b>

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

<sup>^</sup> Includes unbilled revenue of Rs.104.25 lakhs.

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
<b>Total</b>	<b>24,268.20</b>	<b>3,219.58</b>	<b>9.62</b>	<b>6.54</b>	<b>88.65</b>	<b>4.75</b>	<b>27,597.34</b>

\* 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, 2025 Rs. Lakhs	As at March 31, 2024 Rs. Lakhs
Balances with banks		
- On current accounts	3,354.85	1,866.49
Cash on hand	14.38	16.20
<b>Total</b>	<b>3,369.23</b>	<b>1,882.69</b>

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

## 15. Other bank balances

	As at March 31, 2025 Rs. Lakhs	As at March 31, 2024 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	3,670.52	1,027.87
Earmarked balances with banks – unclaimed dividend accounts	134.77	158.39
<b>Total</b>	<b>3,805.29</b>	<b>1,186.26</b>

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, 2025 Rs. Lakhs	As at March 31, 2024 Rs. Lakhs
<b>To parties other than related parties</b>		
Loans to employees (including accrued interest)	15.83	19.73
<b>Total</b>	<b>15.83</b>	<b>19.73</b>

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, 2025 Rs. Lakhs	As at March 31, 2024 Rs. Lakhs
<b>To parties other than related parties</b>		
Security deposits	57.66	53.95
Government grant receivable	90.32	141.24
Reimbursement assets (Refer note 55)	33,843.88	30,580.42
Deposits with original maturity of more than twelve months		
- in deposit accounts	1,465.33	-
- held as margin money or security against borrowings, guarantees and other commitments	1,263.29	3,685.91
Other receivables	469.21	299.95
<b>Total</b>	<b>37,189.69</b>	<b>34,761.47</b>

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, 2025 Rs. Lakhs	As at March 31, 2024 Rs. Lakhs
<b>To related parties (refer note 46)</b>		
Advance rent	5.70	-
<b>To parties other than related parties</b>		
Advances to vendors	814.84	296.02
Advance to employees	37.41	30.92
Balance with government authorities	1,106.36	1,353.77
Duty drawback and other incentive receivables	187.63	226.02
Prepaid expenses	581.02	352.90
Net defined benefit asset-Gratuity	256.95	505.28
Other receivables	102.21	79.69
<b>Total</b>	<b>3,092.12</b>	<b>2,844.60</b>

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

# Notes to the Consolidated Financial Statements (continued)

## 19. Equity share capital

	As at March 31, 2025 Rs. Lakhs	As at March 31, 2024 Rs. Lakhs
<b>a) Authorised</b>		
325,000,000 equity shares of Rs. 2 each (March 31, 2024: 325,000,000 of Rs. 2 each)	6,500.00	6,500.00

### b) Issued, subscribed and fully paid-up

86,992,185 equity shares of Rs. 2 each fully paid-up (March 31, 2024: 86,992,185 of Rs.2 each)	1,739.84	1,739.84
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### c) Reconciliation of the shares outstanding at the beginning and at the end of reporting period:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Number of shares	Amount Rs. lakhs	Number of shares	Amount Rs. lakhs
<b>Equity shares</b>				
At the commencement of the year	8,69,92,185	1,739.84	8,69,92,185	1,739.84
Add/(Less): Change during the year	-	-	-	-
<b>At the end of the year</b>	<b>8,69,92,185</b>	<b>1,739.84</b>	<b>8,69,92,185</b>	<b>1,739.84</b>

### 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, 2025		As at March 31, 2024	
	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	4,35,88,680	50.11
HB Portfolio Limited	40,77,132	4.69	40,77,132	4.69

### f) Details of shareholding of Promoters in the Holding company is as under:

S. No.	Promoter Name	As at March 31, 2025			As at March 31, 2024		
		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	0.00%	4,35,88,680	50.11	167.07%
2	Aditi Dhar	500	0.00	0.00%	500	0.00	0.00%
3	Akshay Dhar	500	0.00	0.00%	500	0.00	0.00%
4	Divya Shriram	435	0.00	0.00%	435	0.00	0.00%
	<b>Total</b>	<b>4,35,90,115</b>	<b>50.11</b>	<b>0.00%</b>	<b>4,35,90,115</b>	<b>50.11</b>	<b>-</b>

\* 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.

**20. Other equity**

	<b>As at March 31, 2025 Rs. Lakhs</b>	<b>As at March 31, 2024 Rs. Lakhs</b>
<b>a. Amalgamation reserve</b>		
Balance as at the beginning and at the end of the year	<b>1,411.38</b>	1,411.38
<b>b. General reserve</b>		
Balance as at the beginning and at the end of the year	<b>13,465.60</b>	13,465.60
<b>c. Capital redemption reserve</b>		
Balance as at the beginning and at the end of the year	<b>0.10</b>	0.10
<b>d. Capital reserve</b>		
Balance as at the beginning and at the end of the year	<b>234.89</b>	234.89
<b>e. Securities Premium</b>		
Balance as at the beginning and at the end of the year	<b>3,406.68</b>	3,406.68
<b>f. Retained earnings</b>		
Balance as at the beginning of the year	<b>61,279.51</b>	51,408.25
Add: Profit for the year	<b>10,147.23</b>	11,540.24
Items of other comprehensive income/ (expense) recognised directly in retained earnings		
Remeasurement of defined benefit obligation, net of tax*	<b>(50.33)</b>	70.86
Less: Appropriations		
Interim dividend on equity shares [Dividend per share Rs. 2/- per share of nominal value of Rs. 2/- each (March 31, 2024: Rs. 2/- per share of nominal value of Rs. 2/- each)]	<b>(1,739.84)</b>	(1,739.84)
<b>Balance at the end of the year</b>	<b>69,636.57</b>	61,279.51
<b>Total</b>	<b>88,155.22</b>	79,798.16

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

# Notes to the Consolidated Financial Statements (continued)

## 21. Borrowings

	As at <u>March 31, 2025</u> Rs. Lakhs	As at <u>March 31, 2024</u> Rs. Lakhs
<b>From related parties (refer note 46)</b>		
<b>Unsecured loans</b>		
Public deposits	356.33	440.80
<b>From parties other than related parties</b>		
<b>Secured loans</b>		
Term loans from banks	6,553.56	7,224.93
Term loans from others	-	354.64
<b>Unsecured loans</b>		
Public deposits	390.66	462.06
	<u>7,300.55</u>	<u>8,482.43</u>
Less: Current maturities of long term borrowings	2,862.82	4,928.99
<b>Total</b>	<u>4,437.73</u>	<u>3,553.44</u>
<b>Details of current maturities of long term borrowings:</b>		
<b>Secured loans</b>		
Term loans from banks	2,594.07	4,437.53
Term loans from others	-	107.39
<b>Unsecured loans</b>		
Public deposits	268.75	384.07
	<u>2,862.82</u>	<u>4,928.99</u>

## A. SECURED

### I. From Banks

- a) Nil (March 31,2024: Rs. 271.21 lakhs) was secured by first pari-passu charge on all the immovable and movable properties of the Company excluding assets on exclusive charges.
- b) Nil (March 31,2024: Rs. 1,039.98 lakhs) was secured by first pari-passu charge on all the immovable and movable properties of the Company excluding assets on exclusive charges.
- c) Rs. 1,492.82 lakhs (March 31,2024: Rs. 2,916.89 Lakhs) carrying interest linked to lender's 1 year MCLR and spread thereon, repayable in 6 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. 531.43 lakhs (March 31,2024: Rs. 1,736.47 lakhs) carrying interest of 8% p.a., repayable in 6 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 31,2024: Rs. 156.25 lakhs) was secured by residual pari-passu charge on fixed assets of sugar factory at Daurala Sugar Works, a unit of the Company.
- f) Nil (March 31,2024: Rs. 145.12 lakhs) was secured by first pari-passu charge on fixed assets of Daurala Sugar Works - Sugar & Alcohol division, a unit of the Company.
- g) Rs. 720.00 lakhs (March 31,2024: Rs. 900.00 lakhs) carrying interest linked to lender's 1 year MCLR and spread thereon, repayable in 16 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. 2,567.86 lakhs (March 31,2024: 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.
- i) Rs. 44.40 Lakhs (March 31,2024: Rs. 59.02 lakhs) is secured by hypothecation of specific asset carrying interest of 8.50%, repayable in 33 monthly instalments.
- j) Rs. 1197.05 lakhs (March 31,2024: Nil) carrying interest linked to repo rate and spread thereon, repayable in 16 quarterly instalments, is secured by exclusive charge on asset financed in Company's wholly owned subsidiary, DCM Shriram International Ltd and guaranteed by the parent Company, DCM Shriram Industries Ltd.

## II. From Others

- i) Nil (March 31,2024: Rs. 346.15 lakhs) was secured by first pari-passu charge on immovable and movable properties of sugar factory at Daurala Sugar Works, a unit of the Company.
- ii) Nil lakhs (March 31,2024: Rs. 8.48 lakhs) was secured by hypothecation of specific asset.

## B. Unsecured

Rs. 746.99 lakhs (March 31,2024: Rs. 902.86 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.

## 22. Other financial liabilities- Non current

	<b>As at March 31, 2025 Rs. Lakhs</b>	<b>As at March 31, 2024 Rs. Lakhs</b>
<b>From related parties (refer note 46)</b>		
Interest accrued but not due on borrowings	<b>13.53</b>	24.30
<b>From parties other than related parties</b>		
Interest accrued but not due on borrowings	-	27.62
Deposits from contractors and others	<b>0.97</b>	10.37
Due to customer (refer note 55)	<b>6,902.02</b>	5,667.02
Other payables	<b>37.85</b>	41.96
<b>Total</b>	<b>6,954.37</b>	5,771.27

## 23. Provisions- Non current

	<b>As at March 31, 2025 Rs. Lakhs</b>	<b>As at March 31, 2024 Rs. Lakhs</b>
<b>Provision for employee benefits (refer note 45)</b>		
- Compensated absences	<b>1,218.62</b>	1,002.14
Provision for contingencies*	<b>100.00</b>	100.00
<b>Total</b>	<b>1,318.62</b>	1,102.14

\* 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.



# Notes to the Consolidated Financial Statements (continued)

## 24. Other non-current liabilities

	As at March 31, 2025	As at March 31, 2024
	Rs. Lakhs	Rs. Lakhs
Other payables	27.05	21.54
<b>Total</b>	<b>27.05</b>	<b>21.54</b>

## 25. Borrowings

	As at March 31, 2025	As at March 31, 2024
<b>Secured loans</b>		
From banks - loans repayable on demand*	44,884.79	42,753.38
Current maturities of long term borrowings (refer note 21)	2,862.82	4,928.99
<b>Total</b>	<b>47,747.61</b>	<b>47,682.37</b>

\* 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 3.40% to 9.50% p.a. (March 31, 2024: 5.00% to 9.50% p.a.). Also refer note 56.

## 26. Trade payables

	As at March 31, 2025	As at March 31, 2024
	Rs. Lakhs	Rs. Lakhs
Total outstanding dues of micro enterprises and small enterprises (MESE)*	1,805.13	1,309.68
Total outstanding dues other than micro enterprises and small enterprises#	27,842.33	30,373.44
<b>Total</b>	<b>29,647.46</b>	<b>31,683.12</b>

Ageing of trade payable as on March 31, 2025 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	1,279.72	519.41	6.00	-	-	1,805.13
Others	4,368.30	23,452.04	4.29	10.22	7.48	27,842.33
Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>5,648.02</b>	<b>23,971.45</b>	<b>10.29</b>	<b>10.22</b>	<b>7.48</b>	<b>29,647.46</b>

\*\* 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, 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	-	-	-	-	-	-
<b>Total</b>	<b>5,600.94</b>	<b>26,033.10</b>	<b>10.53</b>	<b>36.27</b>	<b>2.28</b>	<b>31,683.12</b>

\*\* 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. 170.21 lakhs (March 31, 2024: Rs. 208.52 lakhs), refer note 46.

^ Includes unbilled dues.

### Notes:

a) Includes acceptances Rs. 4,336.17 lakhs (March 31, 2024 Rs. 6,816.34 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 <b>March 31, 2025</b> Rs. Lakhs	As at <b>March 31, 2024</b> Rs. Lakhs
<b>From related parties (Refer note 46)</b>		
Interest accrued but not due on borrowings	33.13	28.52
Employee related payable	1,134.18	1,340.24
Dividend payable	871.80	871.80
<b>From parties other than related parties</b>		
Dividend payable	868.04	868.04
Creditors for capital purchases	221.76	191.60
Security deposits	53.38	47.99
Interest accrued but not due on borrowings	21.58	43.07
Unclaimed dividends*	134.77	158.39
Unclaimed deposits and interest accrued thereon	34.50	-
Other financial liabilities		
- Deposits from contractors and others	552.73	608.48
- Employee related payable	1,122.24	1,333.98
- Others	80.98	65.44
<b>Total</b>	<b>5,129.09</b>	<b>5,557.55</b>

\* 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 <b>March 31, 2025</b> Rs. Lakhs	As at <b>March 31, 2024</b> Rs. Lakhs
Advances from customers	247.09	359.65
Statutory dues payable	1,118.83	933.88
Other payables	149.01	157.34
<b>Total</b>	<b>1,514.93</b>	<b>1,450.87</b>

## 29. Provision- Current

	As at <b>March 31, 2025</b> Rs. Lakhs	As at <b>March 31, 2024</b> Rs. Lakhs
Provision for employee benefits (Refer note 45)		
- Compensated absences	595.51	705.66
- Provident fund trust	-	2.00
Provision for contingencies* (Refer note 55)	33,843.88	30,580.42
<b>Total</b>	<b>34,439.39</b>	<b>31,288.08</b>

\* During the year, the Holding Company has recognised a provision for contingencies of Rs. 3263.46 lakhs (FY 2023-24: Rs. 4,267.72 lakhs). Consequently, the provision for contingencies of Rs. 30,580.42 lakhs as at March 31, 2024 (Rs. 26,312.70 lakhs as at March 31, 2023) has increased to Rs. 33,843.88 lakhs as on March 31, 2025.

## Notes to the Consolidated Financial Statements (continued)

### 30. Revenue from operations

	For the year ended <u>March 31, 2025</u> Rs. lakhs	For the year ended <u>March 31, 2024</u> Rs. lakhs
<b>Sale of products@</b>		
Export	55,197.48	66,631.80
Domestic	<u>1,44,726.40</u>	<u>1,35,794.71</u>
	<b>1,99,923.88</b>	<b>2,02,426.51</b>
<b>Sale of services@</b>		
Processing charges	<u>2,449.82</u>	<u>3,191.67</u>
	<b>2,02,373.70</b>	<b>2,05,618.18</b>
<b>Other operating revenue</b>		
Sale of scrap	1,187.92	627.97
Duty drawback, export benefits and other government assistance*	1,245.92	1,548.70
Sale of renewable energy certificates	7.17	62.21
Other operating income	<u>344.27</u>	<u>433.12</u>
<b>Total</b>	<b><u>2,05,158.98</u></b>	<b><u>2,08,290.18</u></b>

\* Refer note 53

@ Refer note 40 for disaggregation of revenue

	For the year ended <u>March 31, 2025</u> Rs. lakhs	For the year ended <u>March 31, 2024</u> Rs. lakhs
<b>Contract balances</b>		
<b>Trade receivables (Refer note 13)</b>	<b>23,988.08</b>	<b>27,587.24</b>
<b>Contract liabilities</b>		
Advances from customers (Refer note 28)	<b>247.09</b>	<b>359.65</b>

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

	For the year ended <u>March 31, 2025</u> Rs. lakhs	For the year ended <u>March 31, 2024</u> Rs. lakhs
Contracted price	2,03,176.78	2,06,191.24
Less: Discounts	<u>803.08</u>	<u>573.06</u>
	<b><u>2,02,373.70</u></b>	<b><u>2,05,618.18</u></b>

The amount of Rs. 260.31 lakhs included in contract liabilities at March 31, 2024 has been recognised as revenue during the year ended March 31, 2025 (March 31, 2024: Rs. 329.02 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 upto 180 days.

**31. Other income**

	For the year ended <u>March 31, 2025</u> Rs. lakhs	For the year ended <u>March 31, 2024</u> Rs. lakhs
Interest income from financial assets measured at amortised cost		
- From deposits with banks and others	501.97	223.87
- Unwinding of discount on security deposits	0.28	0.25
- Interest subsidy*	65.98	210.94
<b>Other non-operating income</b>		
Interest on income tax refund	742.30	-
Provisions/liabilities no longer required, written back	222.72	109.16
Rental income	51.67	50.01
Gain on sale of property, plant and equipment (net)	22.44	11.42
Gain on disposal of non-current asset held for sale (refer note 58)	81.13	-
Gain on sale of current investments	80.01	137.62
Net change in fair value of financial assets measured at fair value through profit or loss	160.42	97.88
Gain on foreign exchange fluctuation (net)	1,094.81	1,259.74
Miscellaneous income	141.85	154.29
<b>Total</b>	<b>3,165.58</b>	<b>2,255.18</b>

\* Refer note 53

**32. Cost of materials consumed**

	For the year ended <u>March 31, 2025</u> Rs. lakhs	For the year ended <u>March 31, 2024</u> Rs. lakhs
Raw materials at the beginning of the year	10,415.79	12,639.73
Add: Purchases	1,28,174.53	1,28,078.17
	1,38,590.32	1,40,717.89
Less: Raw materials at the end of the year	14,206.57	10,415.79
<b>Total</b>	<b>1,24,383.75</b>	<b>1,30,302.11</b>
<b>Particulars of materials consumed are as under:</b>		
Sugarcane	77,151.94	80,709.56
Wood pulp	14,861.39	14,172.99
Others	32,370.42	35,419.56
<b>Total</b>	<b>1,24,383.75</b>	<b>1,30,302.11</b>

**33. Purchase of traded goods**

	For the year ended <u>March 31, 2025</u> Rs. lakhs	For the year ended <u>March 31, 2024</u> Rs. lakhs
Grain spirits	-	5,713.42
<b>Total</b>	<b>-</b>	<b>5,713.42</b>

**34. Changes in inventories of finished goods and work-in-progress**

	For the year ended <u>March 31, 2025</u> Rs. lakhs	For the year ended <u>March 31, 2024</u> Rs. lakhs
<b>Opening stock</b>		
Finished goods	55,252.30	42,019.79
Work-in-progress	1,848.08	1,927.85
<b>Total</b>	<b>57,100.38</b>	<b>43,947.64</b>

# Notes to the Consolidated Financial Statements (continued)

	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. lakhs	Rs. lakhs
<b>Closing stock</b>		
Finished goods	57,790.37	55,252.30
Work-in-progress	1,919.12	1,848.08
<b>Total</b>	<u>59,709.49</u>	<u>57,100.38</u>
	<u>(2,609.11)</u>	<u>(13,152.74)</u>
<b>Changes in inventories of finished goods and work-in-progress</b>		
Finished goods	(2,538.07)	(13,232.51)
Work-in-progress	(71.04)	79.77
<b>Total</b>	<u>(2,609.11)</u>	<u>(13,152.74)</u>

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

<b>Finished goods</b>		
Sugar	48,012.64	49,394.42
Alcohol	778.41	1,345.60
Organic/ Fine chemicals	1,070.05	643.96
Industrial fibers	7,929.27	3,868.32
<b>Total</b>	<u>57,790.37</u>	<u>55,252.30</u>
<b>Work-in-progress</b>		
Sugar	1,174.76	1,029.07
Alcohol	23.13	75.68
Organic/ Fine chemicals	127.35	188.16
Industrial fibers	593.88	555.17
<b>Total</b>	<u>1,919.12</u>	<u>1,848.08</u>

## 35. Employee benefits expense

	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. Lakhs	Rs. Lakhs
Salaries, wages and bonus*#	17,776.39	17,238.06
Contribution to provident and other funds	1,955.12	1,679.27
Staff welfare expenses	504.53	493.24
<b>Total</b>	<u>20,236.04</u>	<u>19,410.57</u>

\*Refer note 45

# Includes payment to contractual labour

## 36. Finance costs

	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. Lakhs	Rs. Lakhs
Interest expense*#	3,338.59	3,441.16
Other borrowing costs	204.01	135.38
<b>Total</b>	<u>3,542.60</u>	<u>3,576.54</u>

\* Refer note 53

# includes Rs.131.47 lakhs interest on lease liabilities (March 31, 2024: Rs.143.62 lakhs)

**37. Depreciation and amortisation expense**

	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. lakhs	Rs. lakhs
Depreciation on property, plant and equipment (refer note 3)	3,424.35	3,335.99
Amortisation on intangible assets (refer note 4)	69.50	83.73
Amortisation on right-of-use assets (refer note 41)	514.25	472.08
<b>Total</b>	<b>4,008.10</b>	<b>3,891.80</b>

**38. Other expenses**

	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. Lakhs	Rs. Lakhs
Consumption of stores and spares	10,755.19	10,528.34
Power and fuel	12,267.22	12,605.20
Commission	3,253.81	3,909.95
Freight and transport	2,190.75	1,954.76
Insurance	294.52	294.31
Rates and taxes	717.36	842.94
Repairs and maintenance		
- Buildings	1,140.79	953.73
- Plant and machinery	6,563.38	6,255.44
Corporate social responsibility (refer note below)	236.63	197.00
Rent (refer note 41)	15.83	33.12
Payments to auditors		
- As auditors	63.45	52.68
- Limited review of unaudited financial results	37.50	37.50
- Verification of statements and other records	1.42	22.27
- Out-of-pocket expenses	6.63	6.89
Fulfillment and other operating expenses	1,248.89	1,250.36
Professional expenses	1,165.40	1,070.37
Miscellaneous expenses	3,311.74	3,555.36
<b>Total</b>	<b>43,270.51</b>	<b>43,570.22</b>

**Note: Details of corporate social responsibility expenditure**

a) Amount approved by Board of Directors required to be spent by the Group during the year	228.96	183.41
b) Amount spent during the year (in cash)		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	236.63	184.91
c) Amount unspent*	-	-

**d) Nature of CSR activities**

	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. Lakhs	Rs. Lakhs
(i) Promoting health care including preventive health and sanitation	48.56	45.64
(ii) Promoting education, including special education and employment	61.55	56.23
(iii) Empowering women and support to senior citizen	47.79	10.47
(iv) Environmental sustainability and conservation of natural resources and maintaining quality of soil, air and water	19.27	18.27
(v) Promotion and development of traditional arts and handicrafts	41.00	38.00
(vi) Measures for the benefit of armed forces veterans and war widows	-	-
(vii) Training to promote rural sports	7.60	6.50
(viii) Contribution to Prime Minister's National Relief Fund and PM CARES	2.80	3.55
(ix) Rural development project	-	-
(x) Amount spent in administrative overhead	8.06	6.25
	<b>236.63</b>	<b>184.91</b>

# Notes to the Consolidated Financial Statements (continued)

## 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, 2025 and March 31, 2024 are:

	For the year ended March 31, 2025 Rs. Lakhs	For the year ended March 31, 2024 Rs. Lakhs
Current tax expense	5,138.85	5,628.89
Tax relating to earlier years	64.50	(265.00)
Total tax expense	5,203.35	5,363.89
Deferred tax charge	268.52	354.67
<b>Income tax expense reported in the statement of profit and loss</b>	<b>5,471.87</b>	<b>5,718.56</b>

### B. Amounts recognised in other comprehensive income

The major components of income tax expense for the years ended March 31, 2025 and March 31, 2024 are:

	For the year ended March 31, 2025 Rs. Lakhs	For the year ended March 31, 2024 Rs. Lakhs
<b>Income tax</b>		
Remeasurement of post employment benefit obligation	26.87	(38.07)
<b>Income tax charges to other comprehensive income/(expense)</b>	<b>26.87</b>	<b>(38.07)</b>

### 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, 2025 and March 31, 2024:

	For the year ended March 31, 2025 Rs. Lakhs		For the year ended March 31, 2024 Rs. Lakhs	
	Rate	Amount	Rate	Amount
<b>Profit before tax including OCI</b>				
-Holding company	34.94%	15,366.05	34.94%	17,293.13
-Subsidiary company	26.00%	25.05	26.00%	49.24
Tax based on Group's domestic tax rate	34.93%	5,376.03	34.92%	6,055.71
Tax effect of:				
Tax relating to earlier years	0.42%	64.51	(1.53)%	(265.00)
Non-deductible expenses	0.70%	107.48	0.40%	68.84
Impact on Deferred Tax due to change in tax rate for future years	(0.98)%	(150.84)	(0.78)%	(136.00)
Others#	0.31%	47.82	0.19%	33.08
<b>Effective tax rate</b>	<b>35.38%</b>	<b>5,445.00</b>	<b>33.19%</b>	<b>5,756.63</b>

# The Holding Company has not opted for lower tax regime under Section 115BAA of The Income Tax Act, 1961. Post scheme of arrangement, the decision to transition to the new tax regime and related tax balances shall be reassessed.

#### D. Deferred tax assets/ liabilities

(Rs. Lakhs)

Particulars	Deferred tax assets		Deferred tax liabilities		Net deferred tax assets/ (liabilities)	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Accrued expenses deductible on payment	164.77	166.91	-	-	164.77	166.91
Provisions for gratuity and compensated absences	544.14	420.21	-	-	544.14	420.21
Loss allowance for trade receivables	3.53	3.53	-	-	3.53	3.53
Difference in written down values as per books and as per tax laws of property, plant and equipment/ intangible assets	-	-	8,748.00	8,384.11	(8,748.00)	(8,384.11)
Others	275.07	218.44	363.38	307.20	(88.31)	(88.76)
<b>MAT credit entitlement **</b>	987.51	809.09	9,111.38	8,691.31	(8,123.87)	(7,882.22)
<b>Net Deferred tax assets / (liabilities)</b>	987.51	818.24	9,111.38	8,691.31	(8,123.87)	(7,873.07)

\*\* 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, 2025

(Rs.Lakhs)

Particulars	Opening balance	Recognised in statement of Profit & Loss	Recognised in other comprehensive income	Closing balance
<b>Deferred tax assets</b>				
Accrued expenses deductible on payment	166.91	(2.14)	-	164.77
Provisions for gratuity, compensated absences and other employee benefits	420.21	97.06	26.87	544.14
Loss allowance for trade receivables	3.53	-	-	3.53
Others	218.44	56.63	-	275.07
	809.09	151.55	26.87	987.51
<b>Deferred tax liabilities</b>				
Difference in written down values as per books and as per tax laws of property, plant and equipment/ intangible assets	(8,384.11)	(363.89)	-	(8,748.00)
Others	(307.20)	(56.18)	-	(363.38)
	(8,691.31)	(420.07)	-	(9,111.38)
<b>Total</b>	(7,882.22)	(268.52)	26.87	(8,123.87)



# Notes to the Consolidated Financial Statements (continued)

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
<b>Deferred tax assets</b>				
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
Others	151.97	66.47	-	218.44
	845.31	1.85	(38.07)	809.09
<b>Deferred tax liabilities</b>				
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)
<b>Total</b>	<b>(7,489.48)</b>	<b>(354.67)</b>	<b>(38.07)</b>	<b>(7,882.22)</b>

F. Availability of MAT credit entitlement is upto:

(Rs.Lakhs)

	As at March 31, 2025	As at March 31, 2024
<b>Financial year</b>	<b>Amount</b>	<b>Amount</b>
2029-30	-	9.15
	-	9.15

## 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, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
<b>Segment revenue</b>								
- External revenues	1,03,875.48	98,009.26	55,811.43	66,956.34	42,686.78	40,652.58	2,02,373.69	2,05,618.18
- Other operating revenue	986.58	287.44	1,556.23	1,755.14	242.48	629.42	2,785.28	2,672.00
<b>Subtotal</b>	<b>1,04,862.06</b>	<b>98,296.70</b>	<b>57,367.66</b>	<b>68,711.48</b>	<b>42,929.26</b>	<b>41,282.00</b>	<b>2,05,158.98</b>	<b>2,08,290.18</b>
- Other income	174.28	286.14	1,269.09	1,211.61	265.10	248.15	1,708.47	1,745.90
- Unallocable income	-	-	-	-	-	-	1,457.11	509.28
<b>Total segment revenue</b>	<b>1,05,036.34</b>	<b>98,582.84</b>	<b>58,636.75</b>	<b>69,923.09</b>	<b>43,194.36</b>	<b>41,530.15</b>	<b>2,08,324.56</b>	<b>2,10,545.36</b>
<b>Segment results</b>								
Unallocated expenses (net of unallocated income)	7,709.20	3,985.26	10,830.08	16,910.06	3,929.17	4,766.02	22,468.45	25,661.34
Operating profit							3,433.18	4,851.36
Finance costs							19,035.27	20,809.98
<b>Profit before share of profit of equity accounted investees and tax</b>							3,542.60	3,576.54
Share of profit/(loss) of equity accounted investees (net of tax)							15,492.67	17,233.44
<b>Profit before tax</b>							126.43	25.36
Current tax expense							15,619.10	17,258.80
Deferred tax charge							5,203.35	5,363.89
<b>Net profit after tax</b>							268.52	354.67
Capital expenditure during the year							10,147.23	11,540.24
Unallocated capital expenditure during the year	3,932.97	1,567.65	1,319.81	953.54	206.41	809.36	5,459.19	3,330.55
<b>Total capital expenditure during the year</b>	<b>1,520.59</b>	<b>1,479.92</b>	<b>1,227.17</b>	<b>1,189.36</b>	<b>733.03</b>	<b>748.17</b>	<b>1,850.46</b>	<b>37.06</b>
Depreciation							7,309.65	3,367.61
Unallocated depreciation during the year							3,480.79	3,417.45
<b>Total depreciation during the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24.82</b>	<b>-</b>	<b>-</b>	<b>527.31</b>	<b>474.35</b>
Non cash expense other than depreciation							4,008.10	3,891.80
<b>Total non cash expense other than depreciation during the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>24.82</b>
							-	24.82

# Notes to the Consolidated Financial Statements (continued)

(Rs. Lakhs)

Particulars	Reportable segments						Elimination		Total	
	Sugar		Industrial fibres and related products		Chemicals		For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024				
Segment assets	1,32,547.11	1,26,415.86	50,821.14	50,599.22	23,962.59	22,739.05	-	-	2,07,330.84	1,99,754.13
Unallocated assets	-	-	-	-	-	-	-	-	23,745.81	20,140.69
<b>Total assets</b>	<b>1,32,547.11</b>	<b>1,26,415.86</b>	<b>50,821.14</b>	<b>50,599.22</b>	<b>23,962.59</b>	<b>22,739.05</b>	-	-	<b>2,31,076.65</b>	<b>2,19,894.82</b>
Segment liabilities	56,541.53	53,649.18	12,405.33	13,949.10	6,052.24	5,026.91	-	-	74,999.10	72,625.19
Share capital and reserves									89,895.06	81,538.00
Unallocated liabilities										
-Borrowings	-	-	-	-	-	-	-	-	52,257.00	51,359.12
-Others	-	-	-	-	-	-	-	-	13,925.49	14,372.51
<b>Total liabilities</b>	<b>56,541.53</b>	<b>53,649.18</b>	<b>12,405.33</b>	<b>13,949.10</b>	<b>6,052.24</b>	<b>5,026.91</b>	-	-	<b>2,31,076.65</b>	<b>2,19,894.82</b>
Capital employed	76,005.57	72,766.69	38,415.82	36,650.12	17,910.34	17,712.14	-	-	1,32,331.73	1,27,128.95

**C. Reconciliations of information on reportable segments to Ind AS measures**
**i. Total income**

	<b>For the year ended March 31, 2025</b>	For the year ended March 31, 2024
	<b>Rs. lakhs</b>	Rs. lakhs
Total revenue for reportable segments	2,06,867.45	2,10,036.08
Unallocated amounts:		
Unallocable income	1,457.11	509.28
Inter-segment elimination	-	-
<b>Total income</b>	<b>2,08,324.56</b>	<b>2,10,545.36</b>

**ii. Profit before tax**

	<b>For the year ended March 31, 2025</b>	For the year ended March 31, 2024
	<b>Rs. lakhs</b>	Rs. lakhs
Total profit before tax for reportable segments	22,468.45	25,661.34
<b>Unallocated cost:</b>		
Finance costs	(3,542.60)	(3,576.54)
Other unallocated amounts	(3,433.18)	(4,851.36)
<b>Profit before tax as per statement of profit and loss</b>	<b>15,492.67</b>	<b>17,233.44</b>

**iii. Assets**

	<b>As at March 31, 2025</b>	As at March 31, 2024
	<b>Rs. lakhs</b>	Rs. lakhs
Total assets for reportable segments	2,07,330.84	1,99,754.13
<b>Unallocated amounts:</b>		
Investments	4,657.97	5,096.18
Corporate assets	19,087.84	15,044.51
<b>Total assets as per the balance sheet</b>	<b>2,31,076.65</b>	<b>2,19,894.82</b>

**iv. Liabilities**

	<b>As at March 31, 2025</b>	(Rs. Lakhs) As at March 31, 2024
	<b>Rs. lakhs</b>	Rs. lakhs
Total liabilities for reportable segments	74,999.10	72,625.19
<b>Unallocated amounts:</b>		
Share capital	1,739.84	1,739.84
Reserves and Surplus	88,155.22	79,798.16
Unallocated corporate liabilities	66,182.49	65,731.63
<b>Total liabilities as per the balance sheet</b>	<b>2,31,076.65</b>	<b>2,19,894.82</b>

**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**

	<b>For the year ended March 31, 2025</b>	For the year ended March 31, 2024
	<b>Rs. lakhs</b>	Rs. lakhs
<b>(a) India</b>	<b>1,49,961.50</b>	<b>1,41,658.32</b>
<b>(b) Other countries</b>		
Europe	12,686.36	25,795.48
China	19,345.00	19,902.73
Mexico	11,660.00	13,820.15
Rest of the World	11,506.12	7,113.50
<b>Total (b)</b>	<b>55,197.48</b>	<b>66,631.86</b>
(c) Inter-segment elimination	-	-
<b>Total (a+b+c)</b>	<b>2,05,158.98</b>	<b>2,08,290.18</b>

## Notes to the Consolidated Financial Statements (continued)

	For the year ended <b>March 31, 2025</b> Rs. lakhs	For the year ended <b>March 31, 2024</b> Rs. lakhs
<b>ii. Assets</b>		
<b>Non-current segment assets</b>		
(a) India	<b>73,290.06</b>	69,623.36
(b) Outside India	-	-
<b>Total (a+b)</b>	<b>73,290.06</b>	69,623.36

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 transactions with any single customer does not exceed 10 per cent or more of the Company's total revenue.

## 41. Leases

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

Particulars	Opening as on April 1, 2024	Additions during the year	Deletions during the year	Depreciation during the year	(Rs.Lakhs)
					Net carrying amount as at March 31, 2025
Building	1,485.53	138.64	34.91	514.25	1,075.01
	<b>1,485.53</b>	<b>138.64</b>	<b>34.91</b>	<b>514.25</b>	<b>1,075.01</b>
Particulars	Opening as on April 1, 2023	Additions during the year	Deletions during the year	Depreciation during the year	(Rs.Lakhs)
					Net carrying amount as at March 31, 2024
Building	1,313.15	644.46	-	472.08	1,485.53
	<b>1,313.15</b>	<b>644.46</b>	<b>-</b>	<b>472.08</b>	<b>1,485.53</b>

The Group incurred Rs. 15.83 lakhs (March 31, 2024: Rs.33.12 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 <b>March 31, 2025</b> Rs. Lakhs	As at <b>March 31, 2024</b> Rs. Lakhs
Opening balance	<b>1,667.40</b>	1,532.90
Additions	<b>137.34</b>	642.77
Deletions	<b>(37.16)</b>	-
Amount recognised in statement of profit and loss as interest expense	<b>131.47</b>	143.62
Payment of lease liability	<b>(684.83)</b>	(651.89)
<b>Closing balance</b>	<b>1,214.22</b>	1,667.40

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

Particulars	As at	As at
	<u>March 31, 2025</u>	<u>March 31, 2024</u>
	Rs. Lakhs	Rs. Lakhs
Within one year	437.69	531.21
More than one but upto five years	688.89	1,004.53
Beyond five years	87.64	131.66
<b>Closing balance</b>	<b>1,214.22</b>	<b>1,667.40</b>

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

##### A. Contingent liabilities\*

Particulars	As at	As at
	<u>March 31, 2025</u>	<u>March 31, 2024</u>
	Rs. Lakhs	Rs. Lakhs
Income tax matters	2,441.20	3,089.00
Excise and Service tax matters	368.73	385.74
Claims against the Group not acknowledged as debts (excluding claims by employees, where amounts are not ascertainable)	1,014.33	991.73
Sales tax matters	73.13	15.46
Sugarcane related matters	4,545.26	4,545.26
Share in contingent liabilities of associate company	1.36	1.36
<b>Total</b>	<b>8,444.01</b>	<b>9,028.55</b>

\* 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

- Capital commitments:** Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) aggregating to Rs. 138.69 lakhs (March 31, 2024: Rs. 250.92 lakhs) relating to Property, plant and equipment.
- 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.

- 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	For the year ended
		<u>March 31, 2025</u>	<u>March 31, 2024</u>
Profit after tax attributable to equity shareholders	Rs. Lakhs	10,147.23	11,540.24
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.	11.66	13.27

# Notes to the Consolidated Financial Statements (continued)

## 45. Employee benefits

### A. Defined contribution plans

Rs. 786.22 lakhs (March 31, 2024: Rs. 201.03 lakhs) for provident fund contributions and Rs. 252.15 lakhs (March 31, 2024: Rs. 254.02 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, 2025 Rs. Lakhs	As at March 31, 2024 Rs. Lakhs
Non current	-	-
Current	(256.95)	(505.28)
Net defined benefit asset- Gratuity	(256.95)	(505.28)

#### (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, 2025 Rs. Lakhs	For the year ended March 31, 2024 Rs. Lakhs
Balance at the beginning of the year	4,911.51	4,460.48
Current service cost	326.69	303.41
Interest cost	355.10	329.18
Actuarial loss / (gain) arising from changes in financial assumptions	104.77	45.44
Actuarial loss arising from changes in experience adjustments	14.69	166.32
Benefits paid	(574.50)	(393.32)
<b>Balance at the end of the year</b>	<b>5,138.26</b>	<b>4,911.51</b>

***(ii) Reconciliation of the plan assets***

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

<b>Particulars</b>	<b>For the year ended March 31, 2025 Rs. Lakhs</b>	<b>For the year ended March 31, 2024 Rs. Lakhs</b>
Balance at the beginning of the year	5,416.79	4,769.24
Expected return on plan assets	391.64	351.97
Contribution by the Holding Company	17.38	16.50
Benefits paid	(473.17)	(38.27)
Actuarial gains / (losses) recognised in other comprehensive income	42.57	317.35
<b>Balance at the end of the year</b>	<b>5,395.21</b>	<b>5,416.79</b>

***(iii) Expense recognized in profit or loss***

<b>Particulars</b>	<b>For the year ended March 31, 2025 Rs. Lakhs</b>	<b>For the year ended March 31, 2024 Rs. Lakhs</b>
Current service cost	326.69	303.41
Interest cost	355.10	329.18
Expected return on plan assets	(391.64)	(351.97)
	<b>290.15</b>	<b>280.62</b>

***(iv) Constitution of plan assets***

<b>Particulars</b>	<b>For the year ended March 31, 2025 Rs. Lakhs</b>	<b>For the year ended March 31, 2024 Rs. Lakhs</b>
Funded with Life Insurance Corporation of India*	5,395.21	5,416.79

\* 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***

<b>Particulars</b>	<b>For the year ended March 31, 2025 Rs. Lakhs</b>	<b>For the year ended March 31, 2024 Rs. Lakhs</b>
Actuarial gain / (loss) on plan assets	42.57	317.35
Actuarial (loss) / gain arising from changes in financials assumptions	(104.77)	(45.44)
Actuarial (loss) arising from changes in experience adjustments	(14.69)	(166.32)
	<b>(76.89)</b>	<b>105.59</b>



# Notes to the Consolidated Financial Statements (continued)

## vi) Actuarial assumptions

Principal actuarial assumptions (expressed as weighted averages):

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. Lakhs	Rs. Lakhs
<b>Financial assumptions</b>		
Discount rate	6.93%	7.23%
Future salary growth	5.00%	5.00%
Rate of return on plan assets	7.23%	7.38%
Expected average remaining working lives of employees (years)	16.09	16.09
<b>Demographic assumptions</b>		
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, 2025 is 13.64 years (March 31, 2024: 13.35 years)

Expected contributions to post-employment benefit plans for the financial year 2025-26 are Rs. 278.19 lakhs (2024-25: Rs. 230.42 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, 2025		For the year ended March 31, 2024	
	Increase	Decrease	Increase	Decrease
Discount rate with variation of 0.50%	(165.52)	177.45	(158.22)	169.62
Future salary growth with variation of 0.50%	179.36	(169.37)	171.45	(161.90)

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 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	As at
	<u>March 31, 2025</u>	<u>March 31, 2024</u>
	Rs. Lakhs	Rs. Lakhs
Within 1 year	848.87	1,039.97
1 year to 5 years	1,919.84	1,655.19
More than 5 years	2,369.55	2,216.35

#### C. **Compensated absences:**

The obligation of compensated absence in respect of the employees of the Holding Company as at March 31, 2025 works out to Rs. 1,558.43 lakhs (31 March 2024: Rs. 1,447.55 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.

During the current year, the Holding Company has surrendered the recognition granted to the PF Trust in the name of Employees Provident Fund Trust, DCM Shriram Industries Limited and Daurala Organics Limited Employees Provident Fund Trust with effect from September 01, 2024. Accordingly, the entire corpus in respect of all the active and inactive employees has been transferred to the office of respective Regional Provident Fund Commissioner (RPFC).

#### **The following table sets out the status of Provident Fund obligation**

Particulars	As at	As at
	<u>March 31, 2025</u>	<u>March 31, 2024</u>
	Rs. Lakhs	Rs. Lakhs
Net Provident Fund liability	-	2.00

#### *(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	For the year ended
	<u>March 31, 2025</u>	<u>March 31, 2024</u>
	Rs. Lakhs	Rs. Lakhs
Balance at the beginning of the year	-	15,839.86
Current service cost	-	602.59
Contribution by plan participants / employees	-	1,258.51
Interest cost	-	1,181.38
Actuarial loss / (gain) arising from changes in financials assumptions	-	2.06
Actuarial loss / (gain) arising from changes in experience adjustments	-	96.88
Benefits paid	-	(1,798.17)
<b>Balance at the end of the year</b>	<b>-</b>	<b>17,183.11</b>

## Notes to the Consolidated Financial Statements (continued)

### (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, 2025	For the year ended March 31, 2024
	Rs. Lakhs	Rs. Lakhs
Balance at the beginning of the year	-	15,750.81
Expected return on plan assets	-	1,181.38
Contribution by the Holding company	-	602.59
Contribution by plan participants / employees	-	1,258.51
Benefits paid	-	(1,798.17)
Actuarial gain / (loss) recognised in other comprehensive income	-	102.29
Shortfall funded by the Holding company	-	83.70
<b>Balance at the end of the year</b>	<b>-</b>	<b>17,181.11</b>

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, 2025	For the year ended March 31, 2024
	Rs. Lakhs	Rs. Lakhs
Current service cost	-	602.59
<b>Net cost</b>	<b>-</b>	<b>602.59</b>

### iv) Remeasurements recognized in other comprehensive income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
	Rs. Lakhs	Rs. Lakhs
Gain / (loss) recognised in other comprehensive income	-	3.34

### v) Actuarial assumptions

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

Particulars	As at March 31, 2025	As at March 31, 2024
	Rs. Lakhs	Rs. Lakhs
<b>Financial assumptions</b>		
Discount rate	-	7.23%
Expected statutory interest rate	-	8.25%
<b>Demographic assumptions</b>		
Mortality rate	-	IALM (2012-14)
Withdrawal rate	-	Up to 30 years- 3%
	-	31 to 44 years- 2%
	-	Above 44 years- 1%
Retirement age	-	58 years and 60 years

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

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, 2025		For the year ended March 31, 2024	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50%)	-	-	(4.05)	4.25

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

## Notes to the Consolidated Financial Statements (continued)

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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)  
Ms. Suman Jyoti Khaitan, Independent Director (w.ef April 01, 2024)  
Mr. Harjeet Singh Chopra, Independent Director (w.e.f April 01, 2024)  
Ms. Meenakshi Behra, Independent Director (w.e.f February 02, 2025)

### **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 (upto March 31, 2024)  
M/s. P. R. Khanna (HUF) (upto March 31, 2024)  
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, 2025 Rs. Lakhs	For the year ended March 31, 2024 Rs. Lakhs
<b>Rent expenses</b>		
Key management personnel	22.95	-
Relatives/HUF of key management personnel	224.42	240.00
DCM Containers & Engineering Private Limited	39.28	16.37
<b>Total</b>	<b>286.65</b>	<b>256.37</b>
<b>Interest expense</b>		
Key management personnel	13.23	12.17
Relatives of Key management personnel	30.18	33.20
Independent Directors and their relatives/HUF	-	3.75
<b>Total</b>	<b>43.41</b>	<b>49.12</b>
<b>Other expenses</b>		
DCM Containers & Engineering Private Limited	250.51	141.00
<b>Purchase of stores</b>		
Fives Cail – KCP Limited	5.40	0.19
<b>Loan to officers</b>		
Key management personnel	250.39	-
<b>Equity dividend paid</b>		
Relatives/HUF of key management personnel	0.03	0.03
Lily Commercial Private Limited	871.77	871.77
	<b>871.80</b>	<b>871.80</b>
<b>Security deposits paid</b>		
Key management personnel	5.70	-
<b>Advance rent paid</b>		
Key management personnel	5.70	-
<b>Salaries and bonus including contributions made to provident fund</b>		
<b>Key management personnel</b>		
Mr. Alok B.Shriram	510.63	577.30
Mr. Madhav B.Shriram	510.63	577.30
Ms. Urvashi Tilakdhar	510.63	577.30
Mr. Vineet Manaktala	97.56	86.02

# Notes to the Consolidated Financial Statements (continued)

Particulars	For the year ended March 31, 2025 Rs. Lakhs	For the year ended March 31, 2024 Rs. Lakhs
Mr. Y. D. Gupta	62.20	56.34
Relatives of key management personnel	199.06	201.56
<b>Total A</b>	<b>1,890.71</b>	<b>2,075.82</b>
<b>Post-employment defined benefit plan</b>		
<b>Gratuity</b>		
<b>Key management personnel</b>		
Mr. Alok B. Shriram	4.00	2.98
Mr. Madhav B. Shriram	2.77	0.88
Ms. Urvashi Tilakdhar	2.88	3.54
Mr. Vineet Manaktala	6.52	5.64
Mr. Y.D. Gupta	7.36	7.14
Relatives of key management personnel	10.06	4.96
<b>Total B</b>	<b>33.59</b>	<b>25.14</b>
<b>Other long term defined benefit plan</b>		
<b>Compensated absences</b>		
<b>Key management personnel</b>		
Mr. Alok B. Shriram	5.58	4.63
Mr. Madhav B. Shriram	5.54	3.32
Ms. Urvashi Tilakdhar	5.99	7.18
Mr. Vineet Manaktala	2.03	2.24
Mr. Y.D. Gupta	1.72	1.41
Relatives of key management personnel	6.15	3.82
<b>Total C</b>	<b>27.01</b>	<b>22.60</b>
<b>Commission to Independent Directors</b>		
Mr. P. R. Khanna	-	26.71
Mr. S. B. Mathur	27.39	28.34
Mr. Ravinder Narain	-	23.44
Mr. S. C. Kumar	-	26.71
Ms. Kavitha Dutt Chitturi	25.85	25.07
Mr. Sanjay C. Kirloskar	24.29	21.81
Ms. Mini Ipe	-	-
Ms. Meenakshi Behra	3.27	18.55
Mr. Harjeet Singh Chopra	24.29	-
Ms. Suman Jyoti Khaitan	25.84	-
Mr. Kamal Kumar	19.64	-
Mr. Manoj Kumar	19.64	21.81
<b>Total D</b>	<b>170.21</b>	<b>192.44</b>
<b>Total compensation paid to key management personnel E= A+B+C+D</b>	<b>2,121.52</b>	<b>2,316.00</b>
<b>Post-employment defined benefit plan</b>		
<b>contribution paid to provident fund trusts</b>	<b>709.12</b>	<b>1,861.10</b>
<b>Gratuity</b>		
DCM Shriram Industries Limited Employees' Gratuity Fund Trust	15.83	16.50

Particulars	For the year ended March 31, 2025 Rs. Lakhs	For the year ended March 31, 2024 Rs. Lakhs
<b>Other long term defined contribution plan superannuation</b>		
DCM Shriram Industries Limited Superannuation Trust	165.83	175.24
<b>Security deposit receivable</b>		
Key management personnel	4.56	-
Relatives/HUF of key management personnel	37.19	35.14
<b>Loan to officers</b>		
Key management personnel	250.39	-
<b>Advance rent</b>		
Key management personnel	5.70	-
<b>Trade payables</b>		
DCM Containers & Engineering Private Limited	-	16.08
<b>Dividend payable</b>		
Relatives/HUF of key management personnel	0.03	0.03
Lily Commercial Private Limited	871.77	871.77
<b>Payables</b>		
<b>Public deposits including interest accrued</b>		
Key management personnel	132.27	129.06
Relatives/HUF of key management personnel	270.72	327.06
Independent Directors & their relatives	-	37.50
<b>Total</b>	<b>402.99</b>	<b>493.62</b>
<b>Provisions</b>		
Daurala Organics Limited Employees' Provident Fund Trust	-	2.00
<b>Remuneration / Commission payable</b>		
Commission to Independent Directors	170.21	192.44
Commission to key management personnel	1,134.18	1,340.24

**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.



# Notes to the Consolidated Financial Statements (continued)

i. 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
<b>Financial assets</b>							
<b>Non-current</b>							
(i) Investments ^	-	-	314.50	314.50	-	-	314.50
(ii) Loans*	-	-	35.82	35.82	-	-	-
(iii) Other financial assets*	-	-	699.92	699.92	-	-	-
<b>Current</b>							
(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	-	-	-
<b>Total</b>	3,358.92	-	66,487.63	69,846.55			
<b>Financial liabilities</b>							
<b>Non-current</b>							
(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	-	-	-
<b>Current</b>							
(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	-	-
<b>Total</b>	0.67	-	95,914.48	95,915.15			

**ii. As on March 31, 2025**

(Rs.Lakhs)

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
<b>Financial assets</b>							
<b>Non-current</b>							
(i) Investments <sup>^</sup>	-	-	314.50	314.50	-	-	314.50
(ii) Loans*	-	-	277.43	277.43	-	-	-
(iii) Other financial assets*	-	-	503.78	503.78	-	-	-
<b>Current</b>							
(i) Investments*							
Debt instruments (Mutual funds)	2,794.59	-	-	2,794.59	2,794.59	-	-
(ii) Trade receivables*	-	-	23,988.08	23,988.08	-	-	-
(iii) Cash and cash equivalents*	-	-	3,369.23	3,369.23	-	-	-
(iv) Other bank balances*	-	-	3,805.29	3,805.29	-	-	-
(v) Loans*	-	-	15.83	15.83	-	-	-
(vi) Other financial assets*	-	-	37,189.69	37,189.69	-	-	-
<b>Total</b>	<b>2,794.59</b>	<b>-</b>	<b>69,463.83</b>	<b>72,258.42</b>			
<b>Financial liabilities</b>							
<b>Non-current</b>							
(i) Borrowings (including current maturities)#	-	-	7,300.55	7,300.55	-	-	7,300.55
(ii) Lease Liabilities*	-	-	776.53	776.53	-	-	-
(iii) Other financial liabilities*	-	-	6,954.37	6,954.37	-	-	-
<b>Current</b>							
(i) Borrowings#	-	-	44,884.79	44,884.79	-	-	-
(ii) Lease Liabilities*	-	-	437.69	437.69	-	-	-
(iii) Trade payables*	-	-	29,647.46	29,647.46	-	-	-
(iv) Other financial liabilities*	33.49	-	5,095.60	5,129.09	33.49	-	-
<b>Total</b>	<b>33.49</b>	<b>-</b>	<b>95,096.99</b>	<b>95,130.48</b>			

# 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 instruments with similar terms, currency, credit risk and remaining maturities to discount the future payout).

\* The carrying amounts of trade receivables, trade payables, lease liabilities, 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 officers 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.

<sup>^</sup> There has been no movement in Level 3 financial instruments.

# Notes to the Consolidated Financial Statements (continued)

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2025 and March 31, 2024.

## 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, 2025	As at March 31, 2024
Investments	3,109.09	3,673.42
Trade receivables	23,988.08	27,587.24
Cash and cash equivalents	3,369.23	1,882.69
Other bank balances	3,805.29	1,186.26
Loans	293.26	55.55
Other financial assets	37,693.47	35,461.39

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, 2025	As at March 31, 2024
1-90 days past due *	5,499.89	3,190.90
91 to 180 days past due	1.16	28.68
More than 180 days past due #	152.89	109.56
Not due	18,344.23	24,268.20
	23,998.18	27,597.34

\* 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, 2025	For the year ended March 31, 2024
Balance at the beginning of the year	10.10	34.97
Impairment loss (reversed) / recognised	-	(24.87)
Balance at the end of the year	10.10	10.10

**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.7,174.52 lakhs as at March 31, 2025 (March 31, 2024: Rs. 3,068.95 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, 2025	As at March 31, 2024
From banks	5,095.21	7,283.17

# Notes to the Consolidated Financial Statements (continued)

## 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, 2024	Carrying amount	Contractual cash flows			
		0-1 year	More than 1 but upto 5 years	More than 5 years	Total
<b>Non-current liabilities</b>					
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
<b>Current liabilities</b>					
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
<b>Total</b>	<b>95,915.16</b>	<b>85,584.01</b>	<b>10,530.01</b>	<b>149.65</b>	<b>96,263.66</b>

(Rs.Lakhs)

As at March 31, 2025	Carrying amount	Contractual cash flows			
		0-1 year	More than 1 but upto 5 years	More than 5 years	Total
<b>Non-current liabilities</b>					
Borrowings*	4,437.73	-	3,936.56	-	3,936.56
Lease liabilities*	776.53	-	806.44	96.83	903.27
Other financial liabilities	6,954.37	-	6,954.37	-	6,954.37
<b>Current liabilities</b>					
Borrowings	47,747.61	47,747.61	-	-	47,747.61
Lease liabilities	437.69	530.42	-	-	530.42
Trade payables	29,647.46	29,647.46	-	-	29,647.46
Other financial liabilities	5,129.09	5,129.09	-	-	5,129.09
<b>Total</b>	<b>95,130.48</b>	<b>83,054.58</b>	<b>11,697.37</b>	<b>96.83</b>	<b>94,848.78</b>

\* 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, 2025 and March 31, 2024.

(Rs. Lakhs)

Particulars	As at March 31, 2025			
	USD	EURO	AUD	GBP
<b>Financial assets</b>				
Trade receivables*	10,699.19	1,142.68	-	-
Advance to contractors	466.78	33.23	-	-
	11,165.97	1,175.91	-	-
<b>Financial liabilities</b>				
Trade payables	7,393.52	441.73	-	0.71
	7,393.52	441.73	-	0.71

(Rs. Lakhs)

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

\* 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, 2025 (previous year ended as on March 31, 2024) 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.

# Notes to the Consolidated Financial Statements (continued)

(Rs. Lakhs)

Particulars	Profit or (loss)		Equity, net of tax	
	Weakening	Strengthening	Strengthening	Weakening
1% depreciation / appreciation in Indian Rupees against following foreign currencies:				
<b>For the year ended March 31, 2025</b>				
USD	37.72	(37.72)	24.54	(24.54)
EUR	7.34	(7.34)	4.78	(4.78)
GBP	(0.01)	0.01	(0.00)	0.00
	45.05	(45.05)	29.32	(29.32)
<b>For the year ended March 31, 2024</b>				
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)

USD: United States Dollar, EUR: Euro : 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, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
USD/INR Sell Forward	14	21	45.25	56.50	3,905.21	4,728.76	-	-
EUR/INR Sell Forward	6	15	14.00	42.98	1,321.52	3,919.32	-	-
EUR/USD Sell Forward	-	-	-	-	-	-	-	-
USD/INR Buy Forward	2	-	4.00	-	342.43	-	-	-

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 (including 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, 2025	As at March 31, 2024
<b>Financial Assets</b>		
<b>Fixed Rate Instruments</b>		
Bank Balances other than cash & cash equivalents	3,805.29	1,186.26
Other financial assets	2,810.24	3,904.07
<b>Total</b>	<b>6,615.53</b>	<b>5,090.33</b>
<b>Financial Liabilities</b>		
<b>Fixed Rate Instruments</b>		
Term loans	575.83	2,510.08
Public deposits	746.99	902.86
<b>Variable-rate instruments</b>		
Term loans	5,977.73	5,069.49
Cash credit	44,884.79	42,753.38
<b>Total</b>	<b>52,185.34</b>	<b>51,235.81</b>

#### 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
<b>For the year ended March 31, 2025</b>				
Interest on term loans	(59.78)	59.78	(38.89)	38.89
Interest on cash credits	(448.85)	448.85	(292.00)	292.00
<b>For the year ended March 31, 2024</b>				
Interest on term loans	(50.69)	50.69	(32.98)	32.98
Interest on cash credits	(427.53)	427.53	(278.14)	278.14



# Notes to the Consolidated Financial Statements (continued)

## 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, 2025	As at March 31, 2024
Borrowings	52,185.34	51,235.81
Less : Cash and cash equivalents	(3,369.23)	(1,882.69)
<b>Adjusted net debt (A)</b>	<b>48,816.11</b>	49,353.12
<b>Total equity (B)</b>	<b>89,895.06</b>	81,538.00
<b>Adjusted net debt to total equity ratio (A/B)</b>	<b>54.30%</b>	60.53%

## 49. Disclosure as per Ind AS 112 'Disclosure of Interest in Other Entities'

### (a) Subsidiary company

The Group's subsidiaries as at March 31, 2025 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, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	
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, 2025	As at March 31, 2024	
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, 2025	As at March 31, 2024
<b>Current assets</b>		
Cash and cash equivalents	918.08	398.34
Other assets	1,678.91	1,813.53
<b>Total current assets</b>	<b>2,596.99</b>	<b>2,211.87</b>
<b>Total non-current assets</b>	<b>675.92</b>	<b>781.33</b>
<b>Current liabilities</b>		
Financial liabilities	16.75	28.92
Other liabilities	26.37	5.78
<b>Total current liabilities</b>	<b>43.12</b>	<b>34.70</b>
<b>Non-current liabilities</b>		
Other liabilities	24.02	8.66
<b>Total non-current liabilities</b>	<b>24.02</b>	<b>8.66</b>
<b>Net assets</b>	<b>3,205.77</b>	<b>2,949.84</b>

## Notes to the Consolidated Financial Statements (continued)

### (ii) Reconciliation to carrying amounts

(Rs.lakhs)

Particulars	DCM Hyundai Limited	
	As at March 31, 2025	As at March 31, 2024
Opening net assets	2,949.84	2,898.38
Profit/(loss) for the year	256.56	51.46
Other comprehensive income/(expense)	(0.63)	-
<b>Closing net assets</b>	<b>3,205.77</b>	<b>2,949.84</b>
Group's share in %	49.28%	49.28%
Group's share in INR	1,579.86	1,453.73
Consolidation adjustments	(30.97)	(30.97)
<b>Carrying amount</b>	<b>1,548.88</b>	<b>1,422.76</b>

### (iii) Summarised statement of profit and loss

(Rs.lakhs)

Particulars	DCM Hyundai Limited	
	As at March 31, 2025	As at March 31, 2024
Revenue from operations	317.81	334.58
Other income	251.78	213.03
Depreciation and amortisation	52.11	68.77
Interest expense	-	-
Income tax expense	100.50	16.73
Profit/(loss) for the year	256.56	51.46
Other comprehensive income/(expense)	(0.63)	-
Total comprehensive income/(expense)	255.93	51.46
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
<b>Parent</b>								
DCM Shriram Industries Limited								
<b>March 31, 2025</b>	<b>93.19%</b>	<b>87,986.00</b>	<b>98.54%</b>	<b>10,029.84</b>	<b>99.38%</b>	<b>(50.02)</b>	<b>98.53%</b>	<b>9,979.82</b>
March 31, 2024	93.57%	79,746.02	99.55%	11,494.12	100.00%	70.86	99.55%	11,564.98
<b>Subsidiary</b>								
Daurala Foods & Beverages Private Limited								
<b>March 31, 2025</b>	<b>1.57%</b>	<b>1,485.05</b>	<b>0.75%</b>	<b>76.60</b>	-	-	<b>0.76%</b>	<b>76.60</b>
March 31, 2024	1.65%	1,408.45	0.55%	63.13	-	-	0.54%	63.13
<b>Subsidiary</b>								
DCM Shriram Fine Chemicals Limited								
<b>March 31, 2025</b>	<b>2.80%</b>	<b>2,647.79</b>	<b>0.19%</b>	<b>(19.73)</b>	-	-	<b>0.19%</b>	<b>(19.73)</b>
March 31, 2024	3.11%	2,647.32	0.30%	(34.76)	-	-	0.30%	(34.76)
<b>Subsidiary</b>								
DCM Shriram International Limited								
<b>March 31, 2025</b>	<b>0.79%</b>	<b>743.47</b>	<b>0.34%</b>	<b>(34.18)</b>	-	-	<b>0.34%</b>	<b>(34.18)</b>
March 31, 2024	0.00%	(0.50)	0.01%	(1.24)	-	-	0.01%	(1.24)
<b>Associate</b>								
DCM Hyundai Limited								
<b>March 31, 2025</b>	<b>1.64%</b>	<b>1,548.88</b>	<b>1.24%</b>	<b>126.43</b>	<b>0.62%</b>	<b>(0.31)</b>	<b>1.25%</b>	<b>126.12</b>
March 31, 2024	1.67%	1,422.76	0.22%	25.36	0.00%	-	0.22%	25.36
<b>Total</b>								
<b>March 31, 2025</b>	<b>100.00%</b>	<b>94,411.19</b>	<b>100.00%</b>	<b>10,178.96</b>	<b>100.00%</b>	<b>(50.33)</b>	<b>100.00%</b>	<b>10,128.63</b>
March 31, 2024	100.00%	85,224.05	100.00%	11,546.62	100.00%	70.86	100.00%	11,617.47
<b>Adjustment due to consolidation</b>								
<b>March 31, 2025</b>		<b>4,516.13</b>		<b>31.73</b>		-		<b>31.73</b>
March 31, 2024		3,686.05		6.38		-		58.74
<b>Consolidation Net Asset / Profit after Tax</b>								
<b>March 31, 2025</b>		<b>89,895.06</b>		<b>10,147.23</b>		<b>(50.33)</b>		<b>10,096.90</b>
March 31, 2024		81,538.00		11,540.24		70.86		11,611.10

## Notes to the Consolidated Financial Statements (continued)

51. Research expenses amounting to Rs. 500.90 lakhs (March 31, 2024: Rs. 617.10 lakhs) have been charged to the respective revenue accounts. Capital expenditure relating to development amounting to Rs. 56.81 lakhs (March 31, 2024: Rs. Nil) 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 MSMED Act are as follows:

(Rs. Lakhs)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Amounts remaining unpaid to suppliers under MSMED (suppliers) as at the end of year.		
- Principal amount	1,805.13	1,309.68
- 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, 2025	For the year ended March 31, 2024
Subvention on loans interest	Other income	31.55	72.69
Interest subsidy in respect of loans at concessional rate	Other income	34.43	138.25
Duty drawback and other incentives (net of provision)	Other operating revenue	1,245.92	1,548.70

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, 2025	Amount as on March 31, 2024	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
<b>Property, Plant and Equipment</b>					
<b>Freehold land</b>					
Land situated at Daurala, Uttar Pradesh (UP).	<b>379.04</b>	379.04	No	1991	Vested in the Holding company pursuant to a Scheme of Arrangement of erstwhile DCM Limited. (Undisputed)
Land situated at Daurala, UP	<b>44.95</b>	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)
<b>Leasehold land</b>					
Land situated at Kota, Rajasthan	<b>465.00</b>	465.00	No	1991	Vested in the Holding company pursuant to a Scheme of Arrangement of erstwhile DCM Limited. (Undisputed)
<b>Total</b>	<b>888.99</b>	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 FY 2022-23, 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.3,480.85 lakhs as of March 31, 2025 (Rs. 2,249.50 lakhs as at March 31, 2024) as duty under protest in respect of GST, shown as 'Government dues paid and recoverable' 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.

## Notes to the Consolidated Financial Statements (continued)

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. 33,843.88 lakhs as at March 31, 2025 (Rs. 30,580.42 lakhs as at March 31, 2024) under "Provisions (current)". Basis the undertaking from the buyer, the Holding Company has recognized corresponding reimbursement assets amounting to Rs. 33,843.88 lakhs as at March 31, 2025 (Rs. 30,580.42 lakhs as at March 31, 2024) under "Other financial assets (current)".

The amounts aggregating Rs. 6,898.37 lakhs as at March 31, 2025 (Rs.5,667.02 lakhs as at March 31, 2024) 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 statement of profit and loss 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, 2025	As at March 31, 2024
<b>Current assets</b>			
Inventories	11	78,795.30	73,954.47
Trade receivables	13	23,988.08	27,587.24
Cash and cash equivalents	14	1,567.51	125.13
Other bank balances	15	3,670.52	1,027.87
Loans	16	596.84	9.54
Other financial assets	17	1,911.46	2,828.10
Other current assets	18	2,562.35	2,145.16
<b>Total (I)</b>		<b>1,13,092.05</b>	<b>1,07,677.51</b>
<b>Non-current asset</b>			
Property, plant and equipment	3	62,672.24	58,667.52
Capital work-in progress	3	330.02	684.18
Intangible assets	4	89.61	155.89
Loans	7	10.89	13.60
Other financial assets	8	405.53	509.02
Income-tax assets (net)	9	-	129.98
Other non-current assets	10	122.78	183.86
<b>Total (II)</b>		<b>63,631.06</b>	<b>60,344.06</b>
<b>Grand Total (I&amp;II)</b>		<b>1,76,723.11</b>	<b>1,68,021.57</b>

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 has been cleared by BSE and NSE under listing regulations and has been filed for approval with Hon'ble NCLT, New Delhi on 23rd October 2024 as required under section 230-232 of the Companies Act, 2013. 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

(Rs.Lakhs)

Particulars	As at March 31, 2025	As at March 31, 2024
Building	-	33.87

During the year ended 31 March 2025, the Holding Company completed the sale of building, which had been classified as a non-current asset held for sale as at 31 March 2024. The assets, had a carrying amount of Rs.33.87 lakhs at the time of classification. The asset was sold during the year for total proceeds of Rs.115.00 lakhs, resulting in a gain on disposal of Rs. 81.13 lakhs, which has been recognized under "Other income" in the statement of profit or loss

**59. Financial Ratios:**

Particulars	Numerator	Denominator	March 31, 2025	March 31, 2024	Variance
(a) Current Ratio	Current assets	Current liabilities	1.3	1.2	4.5%
(b) Debt- Equity Ratio	Total Debt	Total Equity	0.6	0.6	(7.7)%
(c) Debt Service Coverage Ratio**	Earnings available for debt service*	Scheduled Debt Service	3.1	2.4	28.3%
(d) Return on Equity Ratio	Net Profits after taxes	Average Shareholder's Equity	11.8%	15.1%	(21.4)%
(e) Inventory Turnover Ratio	Cost of goods sold	Average Inventory	1.6	1.8	(10.8)%
(f) Trade Receivable Turnover Ratio	Revenue	Average Trade Receivables	8.0	8.0	(1.1)%
(g) Trade Payable Turnover Ratio	Purchases and other expenses	Average Trade Payables	5.6	5.8	(3.7)%
(h) Net Capital Turnover Ratio	Revenue	Working Capital	6.1	7.8	(21.4)%
(i) Net Profit Ratio	Net Profit	Total Income	4.9%	5.5%	(11.1)%
(j) Return on Capital Employed	Earning before interest and taxes	Average Capital Employed #	18.9%	22.0%	(14.1)%
(k) Return on Investment	Income generated from investments	Time weighted average investments	7.3%	7.3%	0.5%

\* PBT + Depreciation + Interest on Term Loan - Taxes

# Tangible net worth + Long term debt + Deferred tax liabilities

\*\* Higher due to repayment of long term debt

**60. Additional regulatory information:**

- The Group does not have any benami property, and no proceeding has been initiated against the Company for holding any benami property.
- The Group does not have any transactions with struck off companies.
- 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
<b>Satisfaction</b>	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	<p>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.</p> <p>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 was a technical issue at ROC for online updation of satisfaction which is under discussion with ROC.</p> <p>The charge has subsequently been satisfied on 01 April 2025.</p>



# Notes to the Consolidated Financial Statements (continued)

- 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 dated February 15, 2024 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

### Adhir Kapoor

Partner

Membership No.: 098297

Place: New Delhi

Date: May 29, 2025

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

### Vineet Manaktala

Director Finance & Chief Financial Officer

DIN: 09145644

### Alok B. Shriram

Sr. Managing Director

DIN: 00203808

### Y.D. Gupta

Vice President & Company Secretary

Membership No.: 3405

Place: New Delhi

Date: May 29, 2025

### S.B. Mathur

Chairman

DIN: 00013239

### Madhav B. Shriram

Managing Director

DIN: 00203521

### Urvashi Tilakdhar

Wholtime Director

DIN: 00294265

### 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	7,35,04,730
8.	Total assets	14,85,90,930
9.	Total Liabilities	86,200
10.	Investments	-
11.	Turnover	1,04,97,260
12.	Profit before taxation	1,03,62,200
13.	Provision for taxation	27,02,630
14.	Profit after taxation	76,59,570
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	6,47,79,427
8.	Total assets	26,48,79,427
9.	Total Liabilities	1,00,000
10.	Investments	-
11.	Turnover	Nil
12.	Profit before taxation	(19,72,602)
13.	Provision for taxation	Nil
14.	Profit after taxation	(19,72,602)
15.	Proposed Dividend	-
16.	% of shareholding	100%

# Notes to the Consolidated Financial Statements (continued)

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	7,42,47,000
8.	Total assets	25,47,67,000
9.	Total Liabilities	18,04,20,000
10.	Investments	-
11.	Turnover	Nil
12.	Profit before taxation	(34,18,000)
13.	Provision for taxation	Nil
14.	Profit after taxation	(34,18,000)
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.)

<b>Name of Associates / Joint Ventures</b>	<b>DCM Hyundai Ltd.</b>
1. Latest audited Balance Sheet Date	March 31, 2025
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	15,79,80,466/-
7. Profit / Loss for the year i. Considered in Consolidation ii. Not Considered in Consolidation	1,26,12,220/- 1,29,80,758/-

**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.

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

**Vineet Manaktala**

Director Finance & Chief Financial Officer

DIN: 09145644

**Alok B. Shriram**

Sr. Managing Director

DIN: 00203808

**Y.D. Gupta**

Vice President & Company Secretary

Membership No.: 3405

Place: New Delhi

Date: May 29, 2025

**S.B. Mathur**

Chairman

DIN: 00013239

**Madhav B. Shriram**

Managing Director

DIN: 00203521

**Urvashi Tilakdhar**

Wholetime Director

DIN: 00294265

Place: New Delhi

Date: May 29, 2025

