



DCM Shriram Ltd.

Q3 & 9M FY19 - Results Presentation

January 29, 2019



Safe Harbour

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements. DCM Shriram Ltd. will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

All figures are consolidated unless otherwise mentioned

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Q3 FY'19 – Key Highlights

1. Net Revenues up by 19% YoY at Rs 2,115 crores:

- a. Own Products – Revenues increased by 27% YoY.
 - i. Chemicals – Revenues up by 18% YoY with increase in net realizations by 11% and volumes gain of 6% driven by new capacity addition at Kota plant. Revenues up by 21% QoQ with realizations up by 11%.
 - ii. Sugar – Overall revenues (including Sugar, Power & Distillery) increased by 43% YoY. Sugar revenue up by 37% with domestic sales volumes growth of 40%. Sugar realizations (domestic) were down by 12.7%. Distillery sales started in current year, led to increase in overall segment revenues by 10%.
 - iii. Fenesta – Revenues up by 16% YoY led by retail segment.
- b. Traded Products – Overall Revenues from traded products down by 11% YoY.
 - i. Revenues of bulk fertilizers and Hariyali Kisaan Bazaar (Fuel Pumps) down by 53%, as part of the plan.
 - ii. Revenues of value added agri-inputs up by 30%.

2. PBDIT up by 3% (Rs 357 crores vs Rs 347 crores during the same period last year).

- a. Current year's PBDIT carries the charge of Sugar off season expenses(which were deferred till last year) and the loss on account or production/sales of raw sugar for exports amounting to Rs 65.2 crores. Major part of this would be compensated in Q4'19. The PBDIT excluding these charges has gone up by 21%
- b. Chemicals- PBDIT up by 8% at Rs 251 crores vs Rs 234 crores during Q3 FY18. Margins were lower due to higher input costs & shutdown related costs (including use of DG power during the shutdown).
- c. Plastics – PBDIT down by 29% YoY at Rs 20 crores due to higher input costs.

Q3 FY'19 – Key Highlights

d) Sugar – Overall PBDIT at Rs 53 crores down by 6% YoY after the charges of Rs 64.7 crores of off season expenses and loss on export of raw sugar explained above.

- PBDIT from Distillery (sales started current year only) and Power stood at Rs 70 crores vs Rs 35 crores last year
- Sugar Domestic realization at Rs 3,159/qtl vis a vis Rs 3,618/ last year. The sugar margins are about Rs 300/qtl negative at these prices.
- Company has produced upto Dec'18, 8.57 lac qtl (full MIEQ 9.2 lac qtls as on date) of raw sugar for export. The sale of entire quantity has been contracted and thus the inventory is valued at the contracted sale price.
- Sugar inventory (excluding exports) has been valued at NRV of Rs 3,030/ Qtl.

e) PBDIT of SFS was up 32% and Fenesta up 27%

3. **PAT** stood at Rs 226 crores up by 6%. EPS for the quarter stood at Rs 14.42 vs Rs 13.14 in Q3 FY18.

4. **Gross Debt** as on December 31, 2018 stood at Rs. 1,308 crores vs. Rs 631 crores as on December 31, 2017. **Cash and Cash equivalents** stood at Rs. 555 crores vs Rs. 454 crores for the same period.

5. **Commissioned :**

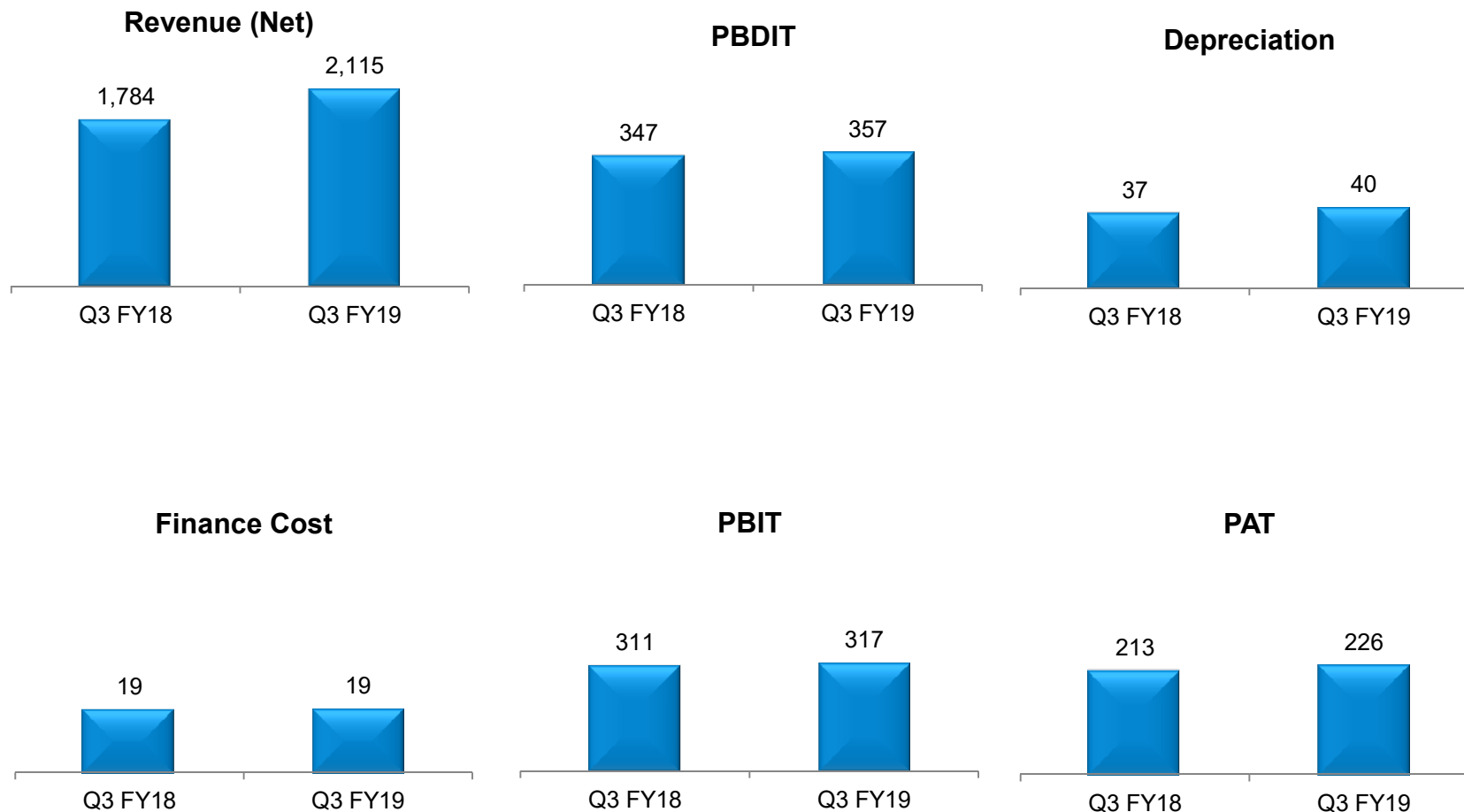
a) New 5000 TCD plant for production of refined sugar.

b) Aluminum Chloride at Bharuch at 40 TPD (vs 10 TPD at September'2018).

6. **Projects approved** – Expansion of Chlor Alkali capacity by 700 TPD and captive power capacity by 120 MW at Bharuch to be commissioned by March' 2021 at a total investment of Rs 1,070 crores

7. **Interim Dividend** – Declared Second interim dividend of 210% (LY: 170%) amounting to Rs 79 crores (including DDT).

Q3 FY19 – Financial Snapshot



Note: All figures in Rs. crores

Net revenue includes operating income

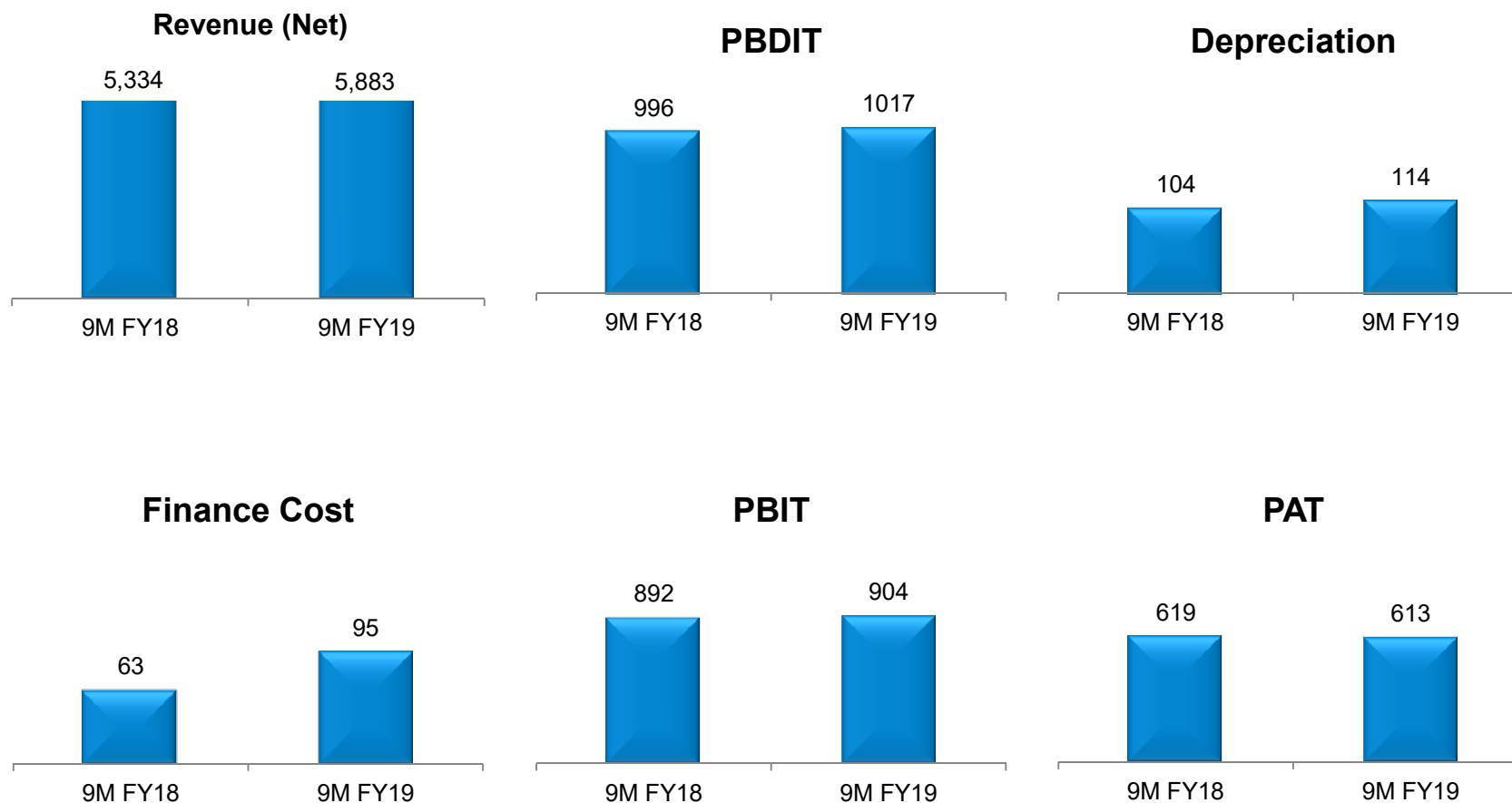
Q3 FY19 - Segment Performance

Rs. Cr.

Segments	Revenues			PBIT			PBIT Margins %	
	Q3 FY18	Q3 FY19	YoY % Change	Q3 FY18	Q3 FY19	YoY % Change	Q3 FY18	Q3 FY19
Chloro Vinyl	577.6	660.6	14.4	241.8	251.9	4.1	41.9	38.1
Sugar	431.9	618.5	43.2	48.8	42.5	(12.8)	11.3	6.9
- Sugar	387.2	528.8	36.6	13.5	(27.8)	-	3.5	(5.2)
- Power	44.7	46.0	2.9	35.3	32.6	(7.7)	78.9	70.7
- Distillery	-	43.7	-	-	37.7	-	-	86.4
SFS	316.4	275.8	(12.8)	33.3	44.0	32.3	10.5	16.0
- Bulk	120.3	21.6	(82.1)	2.6	(3.1)	-	2.1	(14.5)
- Value Added	196.0	254.2	29.7	30.7	47.1	53.4	15.7	18.5
Bioseed	56.6	63.3	11.7	(11.0)	(14.4)	-	(19.4)	(22.7)
Fertiliser	214.5	299.0	39.4	25.3	24.0	(5.2)	11.8	8.0
Others	197.6	209.7	6.1	3.0	5.2	76.4	1.5	2.5
-Fenesta	83.4	97.0	16.3	9.0	12.0	33.7	10.7	12.3
-Cement	39.2	42.3	8.0	(6.5)	(6.4)	-	(16.6)	(15.1)
-Hariyali Kisaan Bazaar & others	75.0	70.4	(6.2)	0.5	(0.3)	-	0.7	(0.4)
Total	1794.6	2,126.9	18.5	341.1	353.3	3.6	19.0	16.6
Less: Intersegment Revenue	10.9	11.6	6.6					
Less: Unallocable expenditure (Net)				30.6	36.0	17.8		
Total	1,783.7	2,115.2	18.6	310.6	317.2	2.1	17.4	15.0

Note: Net revenue includes operating income

9M FY19 – Financial Snapshot



Note: All figures in Rs. crores

Net revenue includes operating income

9M FY19 - Segment Performance

Rs. Cr.

Segments	Revenues			PBIT			PBIT Margins %	
	9M FY18	9M FY19	YoY % Change	9M FY18	9M FY19	YoY % Change	9M FY18	9M FY19
Chloro Vinyl	1,507.6	1,826.7	21.2	563.5	722.6	28.2	37.4	39.6
Sugar	1,574.1	1,715.6	9.0	230.9	127.2	(44.9)	14.7	7.4
- Sugar	1,503.6	1,454.9	(3.2)	181.6	(57.6)	-	12.1	(4.0)
- Power	70.4	106.5	51.2	49.3	76.2	54.4	70.1	71.5
- Distillery	-	154.2	-	-	108.5	-	-	70.4
SFS	744.8	644.1	(13.5)	50.7	55.2	8.8	-	8.6
- Bulk	267.2	106.4	(60.2)	6.6	(6.0)	-	2.5	(5.7)
- Value Added	477.6	537.7	12.6	44.1	61.2	38.7	9.2	11.4
Bioseed	443.1	427.9	(3.4)	66.1	29.4	(55.6)	14.9	6.9
Fertiliser	578.8	773.7	33.7	59.6	50.2	(15.7)	10.3	6.5
Others	608.1	614.6	1.1	24.4	29.8	22.1	4.0	4.8
- Fenesta	245.7	288.5	17.4	22.5	36.0	60.2	9.1	12.5
- Cement	133.3	124.3	(6.7)	2.0	(5.8)	-	1.5	(4.7)
- Hariyali Kisaan Bazaar & others	229.1	201.8	(11.9)	(0.1)	(0.4)	-	(0.0)	(0.2)
Total	5,456.5	6,002.6	10.0	995.3	1,014.3	1.9	18.2	16.9
Less: Intersegment Revenue	122.1	119.4	(2.2)					
Less: Unallocable expenditure (Net)				103.7	110.4	6.5		
Total	5,334.4	5,883.2	10.3	891.6	903.9	1.4	16.7	15.4

Note: Net revenue includes operating income

Q3 FY19 - Performance Overview & Outlook

Chloro-Vinyl

- Overall Chloro-vinyl revenues up 14% YoY, Chemicals up 18%. Plastics up 3%.
- Overall , Chloro-vinyl PBIT up by 4% YoY with Chemicals up 8% and Plastics down 33%.
 - Chemicals
 - Caustic ECU realizations at Rs 36,967/ up by 10.8% YoY. Caustic prices declined but chlorine was +ve vs –ve last year.
 - Volumes up by 6% driven by new capacity addition at Kota plant.
 - Earnings growth restricted to 8% YoY due to higher input costs & shut down related costs.
 - Revenues up by 21% QoQ with realizations up by 11% and volumes up by 11%.
 - Plastics
 - PVC realizations up by 9% YoY and volumes down by 13% as last year included sales of opening stocks.
 - PBIT down by 33% YoY impacted by lower volumes and higher input costs.
 - Volumes up by 20% QoQ (Q2 FY 19 had a 10 day shut down).

Outlook

- Projects under implementation
 - 332 TPD capacity at Bharuch to come on stream in phases by April'19. Will take total capacity at both the plants to 1845 TPD
 - 40 TPD PVC plant at Kota to commission by Q3 FY20.
 - Setting up 66 MW captive power at Kota in replacement of existing 50 MW by Oct 19.
 - Expansion of Chlor alkali capacity by 700 TPD and captive power by 120 MW at Bharuch to be commissioned by March' 2021.
- The product prices as well as input costs are stable presently.

Q3 FY19 - Performance Overview & Outlook

Sugar

- Overall revenues up by 43% YoY.
- Sugar Revenues at Rs 528.8 crores (up 36.6 %YoY), Power revenues at Rs 46.0 crores were up by 2.9 % and distillery revenues at Rs. 43.7 crores (nil last year)
- Sugar Domestic realization at Rs. 3,159/qtl vs Rs 3,618/qtl last year and Rs 3,207/qtl for Q2. Cost for the season 2018-19 expected at Rs 3,450/.
- Inventory (domestic) of 15.1 Lac qtl valued at NRV of Rs 3,030/qtl as on 31st Dec 2018 leading to inventory write down of Rs. 19.7 crores.
- Have contracted and produced entire sugar (raw) export quantity of 9.2 lac qtl as on date including 8.6 lac qtl odd upto 31st Dec 2018.
- Total loss on raw sugar produced upto 31st Dec 2018 is Rs. 64.6 crores net off financial assistance for cane price accrued upto the same period.
- Accrued, in the quarter, financial assistance for cane price by Central and State Govt for SY 2017-18 amounting to Rs 53 crores. .
- Overall PBDIT at Rs 52.9 crores (LY Rs 56.3 crores) including distillery and power PBDIT of Rs 70.3 crores (LY Rs 35.3 crores)
- Commissioned 5000 TCD Refined sugar plant in Jan 2019.
- Crushing for Season 2018-19 started 13-18 days late. Operations stable with better Sugar recovery.

Projects under implementation:

- 30 MW Power - to be commissioned in Feb 2019.
- 200 KLD Distillery – to be commissioned by 3rd Quarter FY'20.

Q3 FY19 - Performance Overview & Outlook

Shriram Farm Solutions

- Net revenues down by 13% YoY.
- Bulk fertilizer revenue down by 82%, whereas revenues from value added inputs up by 30%, part of planned efforts to focus on value added inputs and reduce activities under bulk products.
- Overall PBIT up by 32% and PBIT from value added inputs up by 53%.

Outlook

- Plan to phase out Bulk fertilizers completely.
- Enhanced focus on value added products will lead to better growth and profits in medium term.

Bioseed

- Bioseed revenues up by 12% YoY.
 - Q3 is an off-season for this business in India. Net revenues from India operations were marginally up 2% YoY. Earnings were impacted by normal increase in fixed costs and provision for old debtors.
 - International business revenue up by 30% led by higher corn sales in Philippines. Earnings in Q3 FY19 turned to positive from negative in Q3 FY18.

Outlook

- Expect growth in this business over medium term.

Q3 FY19 - Performance Overview & Outlook

Fertilizers (Urea)

- Net revenues up by 39% primarily due to higher prices (ie reflection of higher energy cost, a pass through).
- Volumes up by 13% QoQ (Plant had a stoppage for 9 days during Q2 FY18).
- Subsidy outstanding as on 31st December, 2018 Rs 423 crores vs Rs 292 crores as on 31st December, 2017 leading to higher capital employed.

Outlook

- Industry is pursuing with government for faster subsidy payments.
- Policy on energy norms wef 1st April 2020 and notification of increase in conversion costs by Rs500/ton w.e.f. 1st April 2014 still under finalization.

Others

Fenesta Windows

- Q3 FY19 net revenues at Rs 97 crores up 16% YoY. Net revenues increased by 17% YoY for 9M FY19.
- Retail order booking for Q3 FY19 and 9M FY19 up by 18% YoY and 21% respectively.
- Projects segment performance depends upon macro economic environment. Improved scenario in real sector will also push the projects segment.

Cement

- Net revenue up by 8% YoY in Q3 FY19 led by volume growth of 9%.

Hariyali Kisaan Bazaar

- The activities under Hariyali Kisaan Bazaar includes fuel sales only. Plan to close this activity. No of fuel outlets have been reduced from 27 in Dec 2017 to 23 presently.

Projects Under Implementation

Projects Under Implementation				
Business	Project	Capacity	Investment (Rs. Cr.)	Project Completion Timeline
Sugar	Distillery	200 KLD	300	Q3 FY20
	Power Co-Gen	30 MW	110	Feb' 19
Chemicals	Caustic Soda Expansion	1032 TPD		
	-Bharuch	186 TPD	113	April' 19
	-Bharuch	146 TPD	64	
	-Bharuch	700 TPD	671	March' 21
	Aluminum Chloride Plant*	60 TPD	43	Q4 FY19
Plastics	PVC expansion at Kota	40 TPD	32	Q3 FY20
Captive Power Plant at Kota Captive Power Plant at Bharuch	Replacement of existing 50 MW Coal based Power Plant	66 MW	240	Q3 FY20
	To meet the additional Power requirements	120 MW	399	March 21

*Commissioned 40 TPD

Management's Message

Commenting on the performance for the quarter and 9M ending December 2018, in a joint statement, Mr. Ajay Shriram, Chairman & Senior Managing Director, and Mr. Vikram Shriram, Vice Chairman & Managing Director, said:

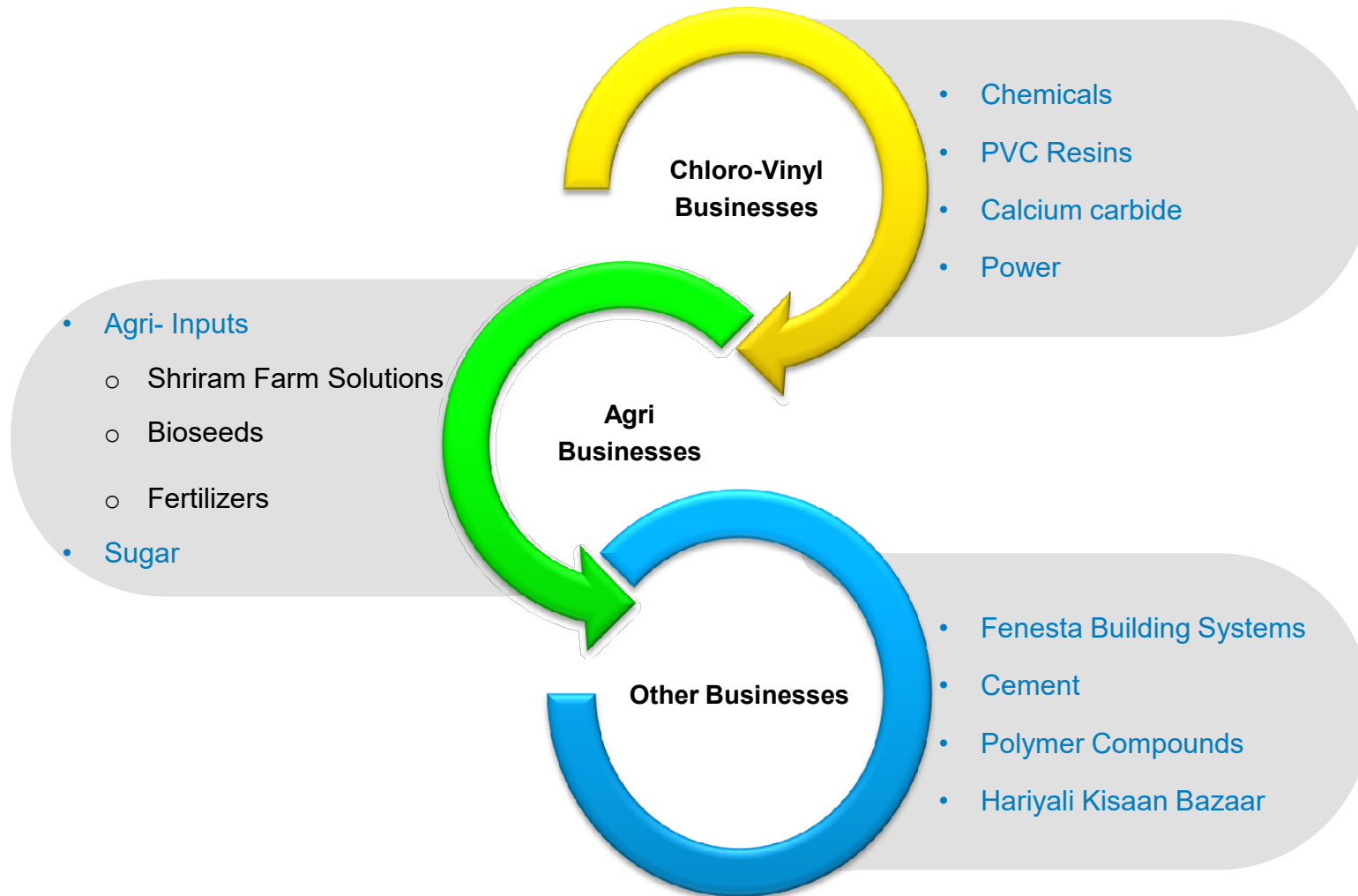
“The company delivered satisfactory performance during the quarter and nine months ended December 31, 2018, despite continuing challenges in Sugar Business and rising input costs in other businesses. The performance reflects positive results of the initiatives taken over past few years to strengthen cost competitiveness, enhance capacity and capacity utilization and value add through integration. The rationalization of Bulk fertilizer business is almost over which has released capital for growth initiatives.

Sugar business continues to be challenging. However, the commissioning of 30MW power plant in Feb 2019 and of 200 KLD distillery in Q3'20 will further strengthen this business.

In Chemical Business we are undertaking several projects to further enhance scale, add commensurate efficient captive power capacity and carry out forward integration in chlorine downstream products. We will have chlor alkali capacity of ~2545 TPD by March 2021 vs 1345 TPD in March 2018.

We plan to achieve continuous growth in chemicals, sugar, Fenesta, Bioseed and Farm Solutions over medium term. We will take up required investment plans in this direction while maintaining a healthy balance sheet.”

Segmental Details



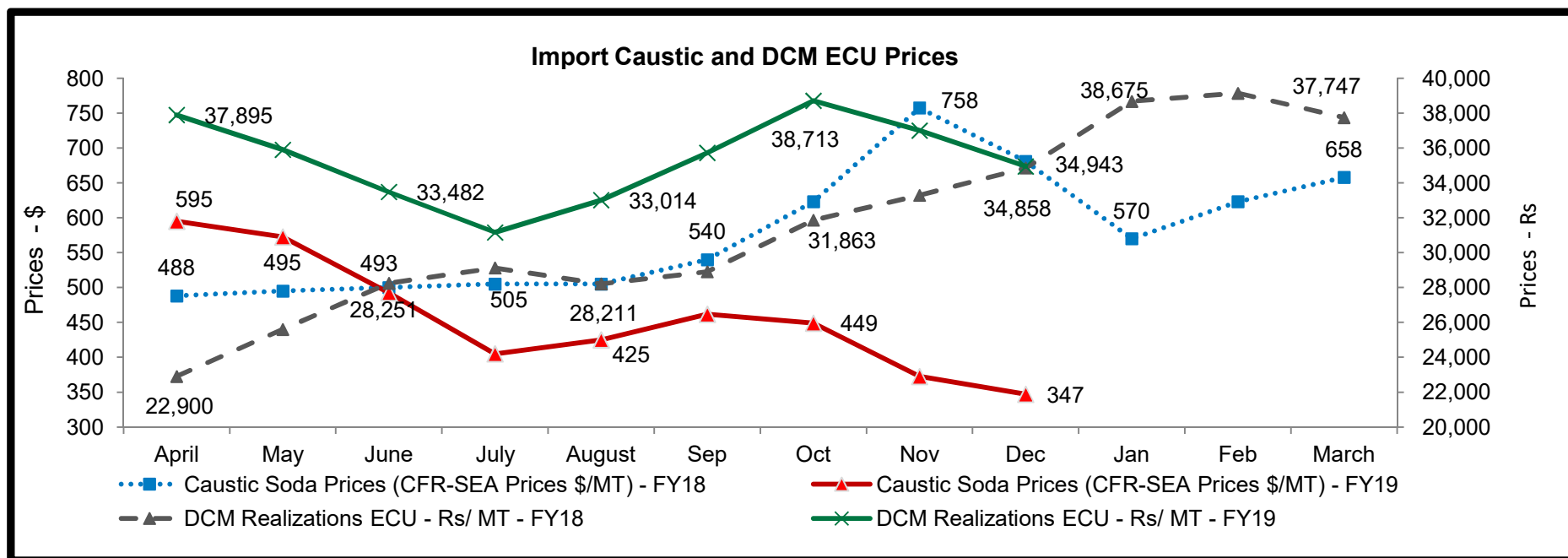
Chloro Vinyl Business

Particulars	Revenues (Rs. Cr.)	PBIT (Rs. Cr.)	Cap. Employed (Rs. Cr.)
Q3 FY19	660.6	251.9	1,274.9
Q3 FY18	577.6	241.8	1,010.0
<i>% Shift</i>	<i>14.4</i>	<i>4.1</i>	<i>26.2</i>
9M FY19	1,826.7	722.6	1,274.9
9M FY18	1,507.6	563.5	1,010.0
<i>% Shift</i>	<i>21.2</i>	<i>28.2</i>	<i>26.2</i>

The Chloro-Vinyl business of the Company has highly integrated operations with multiple revenue streams and 209 MW captive power generation facilities. Chemicals operations are at two locations (Kota – Rajasthan and Bharuch – Gujarat), while Vinyl is at Kota only. The multiple revenue streams enable the Company to optimize operations in a manner to maximize the contribution per unit of power .

Chemicals

Particulars	Operational		Financial	
	Sales (MT)	Realisations (Rs./MT)	Revenues (Rs Cr.)	PBIT (Rs. Cr.)
Q3 FY19	1,20,443	36,967	504.8	235.1
Q3 FY18	1,13,252	33,373	427.1	216.9
% Shift	6.3	10.8	18.2	8.4
9M FY19	3,41,244	35,415	1,390.7	666.1
9M FY18	3,16,088	29,442	1,060.2	473.5
% Shift	8.0	20.3	31.2	40.7



Chemicals

Performance Overview

- Caustic ECU realizations at Rs 36,967/ up by 10.8% YoY. Caustic prices declined but chlorine was +ve vs –ve last year.
- Volumes up by 6% driven by new capacity addition at Kota plant.
- Earnings growth restricted to 8% YoY due to higher input costs & shut down related costs.
- Revenues up by 21% QoQ with realizations up by 11% and volumes up by 11%.

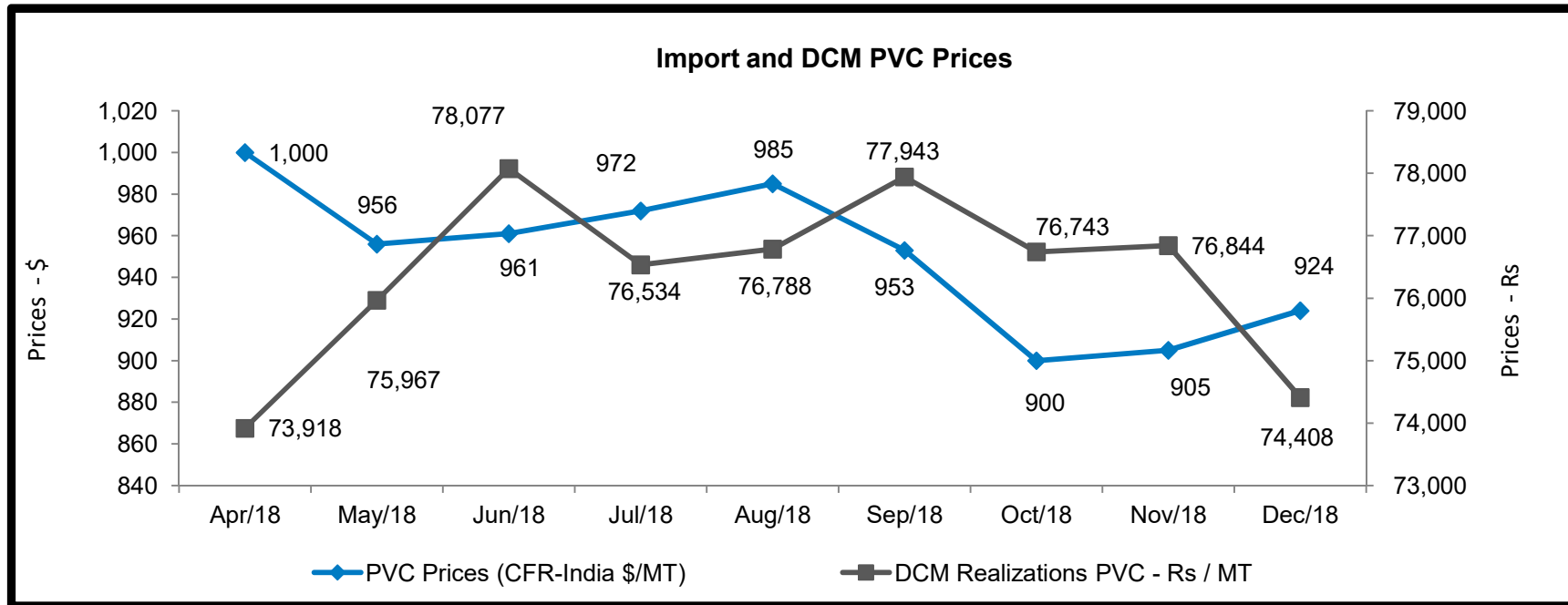
Outlook

- Projects under implementation
 - 332 TPD capacity at Bharuch to come on stream in phases by April'19.
 - Board has approved expansion of Chlor-alkalie capacity by 700 TPD and captive power by 120 MW at Bharuch to be commissioned by March'2021
- The product prices as well as input costs are stable presently.

Plastics

Particulars	Operational				Financial	
	PVC Sales (MT)	PVC XWR Realisations (Rs./MT)	Carbide Sales (MT)	Carbide XWR Realisations (Rs./MT)	Revenues (Rs Cr.)	PBIT (Rs. Cr.)
Q3 FY19	15,410	75,859	6,515	52,530	155.7	16.8
Q3 FY18	17,639	69,288	5,751	43,323	150.5	25.0
<i>% Shift</i>	<i>(12.6)</i>	<i>9.5</i>	<i>13.3</i>	<i>21.3</i>	<i>3.4</i>	<i>(32.8)</i>
9M FY19	43,384	76,058	18,223	52,050	435.9	56.5
9M FY18	49,266	69,899	20,556	43,612	447.4	90.0
<i>% Shift</i>	<i>(11.9)</i>	<i>8.8</i>	<i>(11.4)</i>	<i>19.3</i>	<i>(2.6)</i>	<i>(37.3)</i>

Plastics



Performance Overview

- Revenue up by 3% YoY.
- Volumes came lower by 13%. PVC realizations up by 9% YoY.
- PBIT down by 33% YoY impacted by lower volumes and higher input costs.

Outlook

- 40 TPD PVC plant at Kota to commission by Q3 FY20
- Domestic prices are stable presently and will follow global price trends.
- Input costs are stable now at higher level vs last year

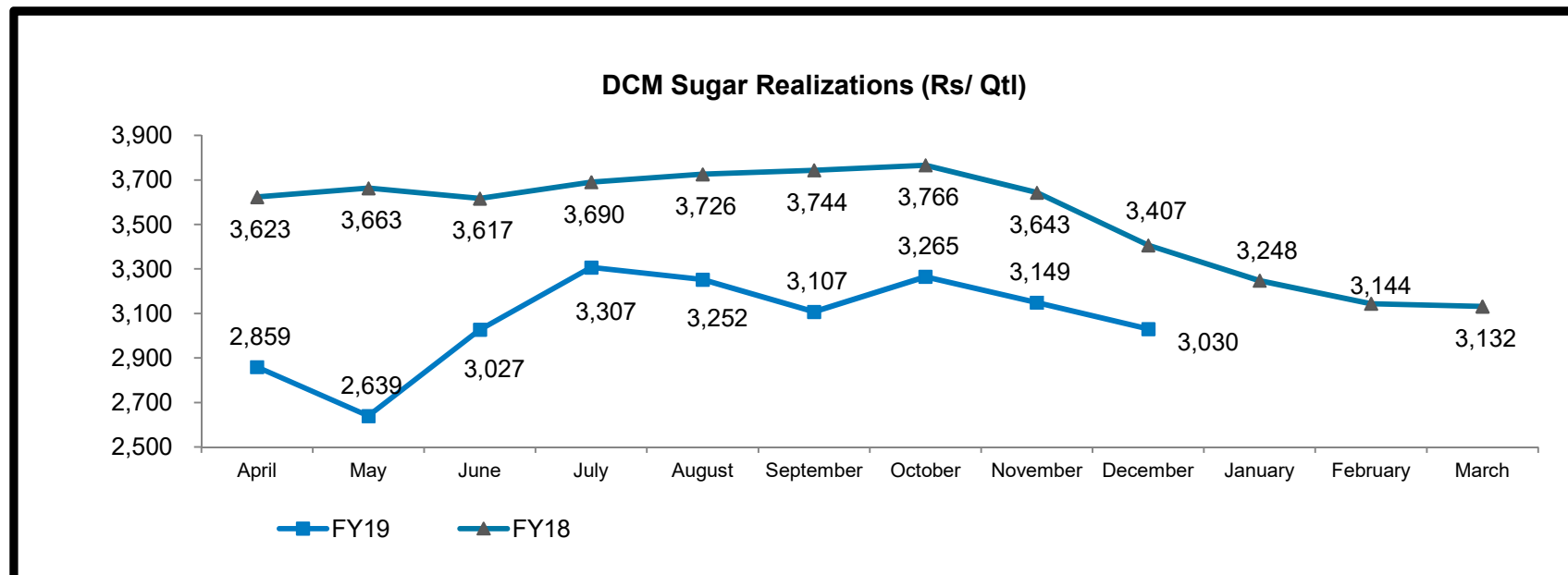
Sugar

Particulars	Q3 FY18	Q3 FY19	YoY % Change	9M FY18	9M FY19	YoY % Change
Revenues (Rs. cr.)						
Sugar	387.2	528.8	36.6	1,503.6	1,454.9	(3.2)
Power	44.7	46.0	2.9	70.4	106.5	51.2
Distillery	0.0	43.7	-	0.0	154.2	-
Total	431.9	618.5	43.2	1,574.1	1,715.6	9.0
PBIT (Rs cr.)						
Sugar	13.5	(27.8)	-	181.6	(57.6)	-
Power	35.3	32.6	(7.7)	49.3	76.2	54.4
Distillery	0.0	37.7	-	0.0	108.5	-
Total	48.8	42.5	(12.8)	230.9	127.2	(44.9)

Company operates its sugar business at four locations in state of UP viz Ajbapur, Loni, Hariawan and Rupapur. Total operating crushing capacity is 38,000 TCD including 5,000 TCD commissioned recently. Sugar business is supported by 111 MW co-gen power plant with 30 MW of power to be commissioned by February 2019. Distillery with capacity 150 KLD commissioned in Jan 18. Second Distillery of 200 KLD to be commissioned by Q3 FY20.

Sugar

Particulars	Sugar Production (Lac Qtls)	Sales (Volume)			Sugar Realizations (Domestic) (Rs/ Qtl)	Cap. Employed (Rs Cr.)
		Sugar (Domestic) (Lac Qtls)	Power (Lac Units)	Distillery (Lac Ltrs)		
Q3 FY19	16.0	14.2	884.5	103.5	3159	1357
Q3 FY18	18.2	10.1	885.9	0.0	3618	869
% Shift	(12.0)	40.6	(0.2)	-	(12.7)	56.3
9M FY19	35.4	44.2	2,047.4	370.8	3,015	1,357
9M FY18	24.2	39.1	1,387.4	0.0	3,660	869
% Shift	46.4	13.0	47.6	-	(17.6)	56.3



Sugar Segment

Performance Overview

- Overall revenues up by 43% YoY.
- Sugar Revenues at Rs 528.8 crores (up 36.6 %yoy), Power revenues at Rs 46.0 crores were up by 2.9 % and distillery revenues at Rs. 43.7 crores (nil last year)
- Sugar Domestic realization at Rs. 3,159/qtl vs Rs 3,618/qtl last year and Rs 3,207/qtl for Q2. Cost for the season 2018-19 expected at Rs 3,450/.
- Inventory (domestic) of 15.1 Lac qtl valued at NRV of Rs 3,030/qtl as on 31st Dec 2018. Leading to inventory write down of Rs. 19.7 crores.
- Have contracted and produced entire sugar (raw) export quantity of 9.2 lac qtl as on date including 8.6 lac qtl odd upto 31st Dec 2018.
- Total loss on raw sugar produced upto 31st Dec 2018 is Rs. 64.6 crores net off financial assistance for cane price accrued upto the same period.
- Accrued, in the quarter, financial assistance for cane price by Central and State Govt for SY 2017-18 amounting to Rs 53 crores. .
- Overall PBDIT at Rs 52.9 crores (LY Rs 56.3 crores) including distillery and power PBDIT of Rs 70.3 crores (LY Rs 35.3 crores)
- Commissioned 5000 TCD Refined sugar plant in Jan 2019.
- Crushing for Season 2018-19 started 13-18 days late. Operations stable with better Sugar recovery.

Outlook

Projects under implementation:

- 30 MW Power - to be commissioned in Feb 2019.
- 200 KLD Distillery – to be commissioned by 3rd Quarter FY'20.

Agri- Input Businesses

The Agri input businesses contributed to **29%** of the Company's revenues during Q3 FY19. The Company continues to focus on these businesses given the huge opportunity in this area where the Company can capitalize on its long understanding of varied Agri businesses and the rural consumer; its established infrastructure; services & product portfolio; and a deep rural presence. The Agri Input Business includes:

Shriram Farm Solutions

Bioseed

Fertilizer (Urea)

Shriram Farm Solutions

Particulars	Revenues (Rs. Cr.)			PBIT (Rs. Cr.)			Cap. Employed (Rs. Cr.)
	Bulk	Value Added	Total	Bulk	Value Added	Total	
Q3 FY19	21.6	254.2	275.8	-3.1	47.1	44.0	262.2
Q3 FY18	120.3	196.0	316.4	2.6	30.7	33.3	327.2
<i>% Shift</i>	<i>(82.1)</i>	<i>29.7</i>	<i>(12.8)</i>	<i>-</i>	<i>53.4</i>	<i>32.3</i>	<i>(19.8)</i>
9M FY19	106.4	537.7	644.1	-6.0	61.2	55.2	262.2
9M FY18	267.2	477.6	744.8	6.6	44.1	50.7	327.2
<i>% Shift</i>	<i>(60.2)</i>	<i>12.6</i>	<i>(13.5)</i>	<i>-</i>	<i>38.7</i>	<i>8.8</i>	<i>(19.8)</i>

The portfolio comprises Value-added products such as Seeds, Pesticides, Soluble Fertilizer, Micro-nutrients etc. along with Bulk Fertilizers (SSP). This business is seasonal in nature and the results in the quarter are not representative of annual performance

Performance Overview

- Total revenues for Q3 FY19 were lower by 13% YoY. Bulk fertilizer revenue down by 82%, whereas revenues from value added inputs up by 30%. The performance is in sync with company's planned efforts to focus on value added inputs and reduce activities under bulk products.
- Overall PBIT up by 32%, with PBIT from value added inputs up by 53%.
- Contribution of value added business in revenue increased to 92% in Q3 FY19 from 62% in Q3 FY18.

Outlook

- Plan to phase out Bulk fertilizers completely.
- Enhanced focus on value added products will lead to better growth and profits in medium term.

Bioseed

Particulars	Revenues (Rs. Cr.)			PBIT (Rs. Cr.)	Cap. Employed (Rs. Cr.)
	India	International	Total		
Q3 FY19	37.9	25.4	63.3	(14.4)	467.9
Q3 FY18	37.1	19.5	56.6	(11.0)	449.3
<i>% Shift</i>	<i>2.0</i>	<i>30.2</i>	<i>11.7</i>	<i>-</i>	<i>4.1</i>
9M FY19	358.3	69.6	427.9	29.4	467.9
9M FY18	369.1	74.0	443.1	66.1	449.3
<i>% Shift</i>	<i>(2.9)</i>	<i>(5.9)</i>	<i>(3.4)</i>	<i>(55.6)</i>	<i>4.1</i>

Bioseed business is intensely research based and is diversified across key crops (Cotton, Corn, Paddy, Bajra and Vegetables). India is the key market with presence across all above crops. International presence is in Vietnam, Philippines and Indonesia wherein the key crop is Corn. The performance of the business has seasonality, with Kharif being the major season in India.

Performance Overview

- Bioseed revenues up by 12% YoY.
- Q3 is an off-season for this business in India. Net revenues from India operations were marginally up 2% YoY. Earnings were impacted by normal increase in fixed costs and provision for old debtors.
- International business revenue up by 30% led by corn sales in Philippines. Earnings turned to positive from negative in Q3 FY18.

Outlook

- Expect growth in this business over medium term.

Fertilizers (Urea)

Particulars	Operational		Financial		
	Sales (MT)	Realisations (Rs./MT)	Revenues (Rs. Cr.)	PBIT (Rs. Cr.)	Cap. Employed (Rs. Cr.)
Q3 FY19	1,06,274	25,887	299.0	24.0	484.4
Q3 FY18	1,07,396	18,746	214.5	25.3	369.6
% Shift	(1.0)	38.1	39.4	(5.2)	31.0
9M FY19	2,92,094	23,780	773.7	50.2	484.4
9M FY18	3,02,509	17,948	578.8	59.6	369.6
% Shift	(3.4)	32.5	33.7	(15.7)	31.0

Performance Overview

- Revenue for Q3 FY19 increased by 39% led by improved realizations of 38%, which is reflection of higher energy costs (a pass through).
- On a sequential basis, volumes grew by 13% (Plant had a stoppage for 9 days during Q2 FY18).
- Subsidy outstanding as on 31st December, 2018 Rs 423 crores vs Rs 292 crores as on 31st December, 2017 leading to higher capital employed.

Outlook

- Industry is pursuing with government for faster subsidy payments.
- Policy on energy norms w.e.f. April 1, 2020 and notification of increase in conversion costs by Rs500/tonne w.e.f. April 1, 2014 still under finalization.

Other Businesses

The 'Others' Segment in the financial results, includes Cement, Fenesta Building Systems and Hariyali Kisaan Bazar.

Revenues under 'Others' stood at Rs 210 crores in Q3 FY19 from Rs. 198 crores in Q3 FY18. PBIT for the quarter stood at Rs. 5 crores vis-à-vis Rs. 3 crores in Q3 FY18.

Fenesta Building Systems

Particulars	Operational			Financial
	Order Book (Rs Crores)			Revenues (Rs Cr.)
	Retail	Projects	Total	
Q3 FY19	76.7	32.1	108.8	97.0
Q3 FY18	65.0	30.6	95.6	83.4
<i>% Shift</i>	<i>17.9</i>	<i>5.0</i>	<i>13.8</i>	<i>16.3</i>
9M FY19	227.7	94.5	322.3	288.5
9M FY18	188.9	77.2	266.0	245.7
<i>% Shift</i>	<i>20.6</i>	<i>22.5</i>	<i>21.1</i>	<i>17.4</i>

Fenesta a pan India brand has become synonymous with UPVC windows. Includes Retail and Project Segment

Performance Overview

- Q3 FY19 net revenues at Rs 97 crores up 16% YoY. Net revenues increased by 17% YoY for 9M FY19.
- Retail order booking for Q3 FY19 and 9M FY19 up by 18% YoY and 21% respectively.

Outlook

- Projects segment performance depends upon macro economic environment. Improved scenario in real sector will also push the projects segment.

Cement

Particulars	Operational		Financial	
	Sales (MT)	Realisations (Rs./MT)	Revenues (Rs. Cr.)	PBIT (Rs. Cr.)
Q3 FY19	1,09,099	3,128	42.3	(6.4)
Q3 FY18	99,719	2,975	39.2	(6.5)
% Shift	9.4	5.1	8.0	-
9M FY19	3,25,247	3,046	124.3	(5.8)
9M FY18	3,38,274	3,078	133.3	2.0
% Shift	(3.9)	(1.0)	(6.7)	-

The Cement business is small. since its capacity is driven by the waste generated from carbide plant. The Company markets its cement under the 'Shriram' brand

Performance Overview

- Net revenue higher by 8% YoY during the quarter led by volume growth of 9%.

Outlook

- Business working to enhancing efficiencies further and optimizing costs.

About Us & Investor Contacts

DCM Shriram Ltd. is an integrated business entity, with extensive and growing presence across the entire Agri value chain and Chloro-Vinyl industry. The Company has added innovative value-added businesses in these domains primarily Bioseed and Fenesta. Access to captive power at all key manufacturing units enables the businesses to optimise competitive edge.

For more information on the Company, its products and services please log on to www.dcmshriram.com or contact:

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