

Dated: 18<sup>th</sup> June, 2026

To, BSE Ltd. Pheroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001 <b>Scrip Code: 523369</b>	To, National Stock Exchange of India Ltd Exchange Plaza, 5th Floor, Plot No. C-1, G Block, Bandra Kurla Complex, Bandra (E) Mumbai- 400 051 <b>Symbol: DCMSRIND</b>
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**Sub.: Annual Report 2025-26 - “35<sup>th</sup> Annual General Meeting” of the members of the Company, “E-voting”, “Book Closure” and “Record Date.**

Dear Sir(s),

In compliance with Regulation 34 & 42 of SEBI (LODR) Regulations, 2015, the details regarding 35<sup>th</sup> Annual General Meeting of the Company are mentioned below:

**a. 35<sup>th</sup> Annual General Meeting of the members of the Company**

The **35<sup>th</sup> Annual General Meeting (“AGM”)** of the members of the Company will be held on Wednesday, **July 15, 2026 at 11:30 AM (IST)** through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”), in accordance with the relevant circulars issued by the Ministry of Corporate Affairs (MCA) and the Securities and Exchange Board of India (SEBI). Notice and annual report have been emailed to the members on 18<sup>th</sup> June, 2026.

The Company has fixed **Friday, the 3<sup>rd</sup> July, 2026** as the “**Cut-off Date**” for the purpose of determining the members eligible to vote on the resolutions set out in the Notice of the AGM or to attend the AGM.

Attached is the soft copy of the Annual Report and the AGM Notice.

**b. Remote E-voting**

The remote e-voting period for the AGM would begin on **Friday, 10<sup>th</sup> July, 2026 at 9:00 A.M. (IST)** and end on **Tuesday, 14<sup>th</sup> July, 2026 at 5:00 P.M. (IST)**.

**c. Date of closure of Share Transfer Books**

The Share Transfer Books of the Company will remain closed from **Saturday, 04<sup>th</sup> July, 2026** to Wednesday, **15<sup>th</sup> July, 2026** (both days inclusive).

#### **d. Record Date and Dividend Payment**

The Company has fixed **Friday, 03<sup>rd</sup> July, 2026** as the “Record Date” for the purpose of determining the members entitled to receive dividend for the financial year 2025-26. The dividend, if declared at the AGM, will be paid within 30 (thirty) days from the conclusion of the AGM.

You are requested to disseminate the above intimation on your website.

Thanking you,

**Yours faithfully,**

**(Y. D. Gupta)**  
**Company Secretary &**  
**Compliance Officer**  
**FCS 3405**

Encl: As above

#### **Copy To:**

**1. National Securities Depository Limited**

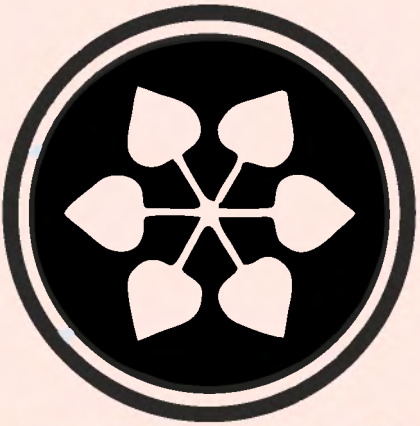
Trade World, A wing, 4<sup>th</sup> Floor,  
Kamala Mills Compound, Lower Parel,  
Mumbai-400013.

**2. Central Depository Services (India) Limited**

Marathon Futurex, A-Wing, 25<sup>th</sup> floor,  
NM Joshi Marg, Lower Parel (East),  
Mumbai-400013.

**3. KFIN Technologies Ltd.**

Selenium Tower B, Plot 31-32  
Financial District, Nanakramguda,  
Serilingampally Mandal,  
Hyderabad, Telangana – 500 032.



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**DCM**  
**SHRIRAM**

**DCM SHRIRAM INDUSTRIES LTD.**

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*Annual Report 2025-2026*

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## DCM SHRIRAM INDUSTRIES LIMITED

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<b>Board of Directors</b>	Shri S.B. Mathur Shri Madhav B. Shriram Shri Uday Shriram Shri Rohan Shriram Shri Vineet Manaktala Smt. V. Kavitha Dutt Shri Sanjay C. Kirloskar Shri Manoj Kumar Shri Harjeet Singh Chopra Shri Anurag Surana Shri Sidharth Prasad Shri Kamal Kumar	Chairman – Non Executive Managing Director & CEO Dy. Managing Director Whole Time Director Director Finance & CFO           LIC Nominee
<b>Principal Executive</b>	Shri Sanjay Rastogi	Chief Operating Officer (DSW)
<b>Company Secretary</b>	Shri Y.D. Gupta	Sr. Vice President (Law & Taxation)
<b>Bankers</b>	State Bank of India Punjab National Bank Axis Bank Limited HDFC Bank Limited	
<b>Auditors</b>	B S R & Co. LLP Gurugram	
<b>Registered office</b>	Kanchenjunga Building, 18, Barakhamba Road, New Delhi - 110001	CIN : L74899DL1989PLC035140 Tel no. : 011-43745021 e-mail : <a href="mailto:dsil@dcmsr.com">dsil@dcmsr.com</a> website: <a href="https://www.dcmsr.com">https://www.dcmsr.com</a>

# DCM SHRIRAM INDUSTRIES LIMITED

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**Regd Office: Kanchenjunga Building, 18, Barakhamba Road, New Delhi-110001.**

**CIN: L74899DL1989PLC035140, Telephone :** (011) 43745021

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

## NOTICE

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The 35<sup>th</sup> Annual General Meeting of the Company will be held on Wednesday, the 15<sup>th</sup> July, 2026 at 11:30 A.M. through Video Conference (VC) / Other Audio Visual Means (OAVM), to transact the following businesses:

### Ordinary Business:

- To consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2026 and the Reports of the Auditors and Board of Directors thereon.**
- To declare dividend of Re.0.40 (20%) per equity share of Rs. 2 each for the financial year ended 31st March, 2026.**
- Appointment of director liable to retire by rotation:**  
To appoint a director in place of Shri Sunil Behari Mathur (DIN: 00013239), who retires by rotation and being eligible, offers himself for re-appointment.
- Appointment of director liable to retire by rotation:**  
To appoint a director in place of Smt. V. Kavitha Dutt (DIN:00139274), who retires by rotation and being eligible, offers herself for re-appointment.

### Special Business:

- 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 applicable tax and actual 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.000019) for the year 2026-27, be and is hereby ratified and confirmed.”

**6. Appointment of Shri Sanjay Rastogi as Director & COO (DSW)**

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

“RESOLVED THAT pursuant to Section 196, 197, 198 and Schedule V of the Companies Act, 2013, as amended from time to time and other applicable provisions, if any, of the said Act and/or any other applicable Regulations, and subject to such approvals, if any required, approval of the Company be and is hereby accorded to the appointment of Shri Sanjay Rastogi (DIN:11712916) as Director & Chief Operating Officer (DSW) effective from 01.07.2026 for a period of two years, on the terms and conditions and remuneration as set out in the Explanatory Statement to this Notice with continuity of service.”

“RESOLVED FURTHER THAT the Board of Directors or a Committee thereof, duly authorized by the Board, be and is hereby authorized to alter, increase, vary or modify, from time to time, the said terms and conditions including as to remuneration and/ or designation as it may deem fit, subject to the provisions of the above said Sections read with Schedule V and other applicable provisions of the Companies Act, 2013 or any other Regulations as may be applicable.”

“RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year the managerial personnel be paid the remuneration as set out in the Explanatory Statement or such higher amount as may be permitted subject to necessary approval, if any required, and also subject to the overall ceilings laid down in Part II of Section II of Schedule V of the Companies Act, 2013 or any other amendment thereto, or any other Regulations as may be applicable.”

By order of the Board

For DCM SHRIRAM INDUSTRIES LIMITED

New Delhi  
May 20, 2026



(Y.D. Gupta)  
Company Secretary & Sr. Vice President  
(Law & Taxation)  
FCS 3405

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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 4<sup>th</sup> July, 2026 to Wednesday, the 15<sup>th</sup> July, 2026** (both days inclusive) for the purpose of the AGM.

A dividend of Re.0.40 (20%) per equity share of Rs.2 each has been recommended by the Board of Directors for the year ended 31.03.2026. Subject to the approval of the shareholders at the ensuing AGM, the dividend is proposed to be paid on or before Thursday, 13<sup>th</sup> August, 2026 to those members whose names appear in the Register of members of the Company or Register of Beneficial Owners as on the cut-off date i.e. Friday, the 3<sup>rd</sup> July, 2026.

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 2017-18 in October, 2025 to IEPF. The details are available on the website of the Company i.e. <https://drive.google.com/file/d/1-xaek-g1fcbC90S6nyYrBF77yIHBVbRY/view> .

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 1,32,705 equity shares to IEPF in the month of November, 2025. 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 2018-19 declared on August 13, 2019 along with the shares are due to be transferred to the IEPF by September, 2026. The same can, however, be claimed by the Members by 31<sup>st</sup> August, 2026. 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://www.dcmsr.com/investors> under "Circular to Shareholders" tab 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. On completion of formalities the relative share/s will be credited in the demat account of the shareholders / legal heirs. The necessary forms for the above request are available on the website of the Company i.e. <https://www.dcmsr.com/investors> under "Circular to Shareholders" tab.

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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 Shri Sunil Behari Mathur (DIN:00013239) and Smt. V. Kavitha Dutt (DIN:00139274), 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. 03/2025 dated 22.09.2025 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 further orders (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" / "KFintech"), Registrar and Transfer Agents of the Company, to provide Video Conferencing facility for the Annual General Meeting and the attendant enablers for conducting 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, KFin Technologies Limited.

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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 KFintech.
17. In line with the MCA Circulars, the Notice calling the AGM and the Annual Report for the financial year 2025-26 have been uploaded on the website of the Company at <https://www.dcmsr.com/investors>. 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 KFintech 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, KFintech. 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, KFintech. for up-dation 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 2025-26 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, the 3<sup>rd</sup> July 2026** 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,

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mobile number and submit. The speaker registration shall commence from 6th July, 2026 at 9.00 a.m. and shall close on 10th July 2026 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 6th July, 2026 at 9.00 a.m. and shall close on 10th July 2026 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.

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**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 10<sup>th</sup> July, 2026 at 9.00 A.M. and will end on Tuesday, 14<sup>th</sup> July, 2026 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.nsd.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-

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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/myeasitoken/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/myeasitoken/Home/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” 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.

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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.

<b>Login type</b>	<b>Helpdesk details</b>
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 and 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

## **DCM SHRIRAM INDUSTRIES LIMITED**

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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 10 <sup>th</sup> July, 2026 (9:00 AM)
End of remote e-voting	: Tuesday, 14 <sup>th</sup> July, 2026 (5:00 PM)

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, 3<sup>rd</sup> July, 2026**, 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.

## **DCM SHRIRAM INDUSTRIES LIMITED**

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21. Shri Kamaljit Singh (C.P.No.16847), Practicing Company Secretary, has been appointed as the Scrutinizer, 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 [cskamljitsingh@gmail.com](mailto:cskamljitsingh@gmail.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 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 Standard-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 KFinTech, 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

Shri Sunil Behari Mathur (DIN: 00013239), was appointed as a director liable to retire by rotation by postal ballot resolution passed on 19.03.2024. He is the Chairman of the Board of the Company since 2018.

The Board of Directors considers that the Company will continue to benefit from his long and varied experience and accordingly recommends his reappointment for approval.

Brief particulars of Shri S.B. Mathur are as follows:

Particulars				
Age	81 years			
Qualification	Fellow Chartered Accountant and ICWA (Part I & II), London			
Other Directorships	1. QRG Investments and Holdings Ltd. 2. DCM Shriram Fine Chemicals Ltd. 3. DCM Shriram International Ltd.			
Committee Membership/ Chairmanship	<b>S. No</b>	<b>Name of Company</b>	<b>Name of Committee</b>	<b>Chairman / Member</b>
	1.	DCM Shriram Industries Ltd.	Stakeholder's Relationship Committee	Member
			Audit Committee	Member
			Nomination & Remuneration Committee	Member
	2.	QRG Investments and Holding Limited	Audit Committee	Chairman
			Corporate Social Responsibility Committee	Chairman
Nomination & Remuneration Committee			Member	

## DCM SHRIRAM INDUSTRIES LIMITED

		Risk Management Committee	Member
Shareholding in the Company (Equity/Rs.2 each)	Nil		
Original Date of Appointment	30.05.2014		
Board Meetings attended in 2025-26	Attended all 7 meetings of the Board i.e. on 29.05.2025, 12.08.2025, 05.11.2025, 09.12.2025, 23.12.2025, 14.02.2026 and 30.03.2026.		

### Item No. 4

Smt. V. Kavitha Dutt (DIN: 00139274), Non-Executive Director of the Company, was appointed on the Board as a Director liable to retire by rotation by Postal Ballot resolution passed on 18.03.2025.

Smt. V. Kavitha Dutt belongs to a reputed industrialist family of Chennai. She holds 2500 equity shares of Rs.2 each in the Company. The Board of Directors considers that the Company will continue to benefit from her long and varied business experience particularly in sugar industry and accordingly recommends her reappointment for approval.

The particulars of other directorships and Committee memberships of Smt. Velagapudi Kavitha Dutt are given below:

S. No.	Name of the Company	Category of directorship	Membership of Committee(s)
1	The K.C.P Limited	Joint Managing Director	<ul style="list-style-type: none"> <li>• Audit Committee (Member)</li> <li>• Risk Management Committee (Chairperson)</li> <li>• CSR Committee (Member)</li> </ul>
2	Centum Electronics Limited	Independent Director	<ul style="list-style-type: none"> <li>• Audit Committee (Member)</li> <li>• NRC(Chairperson)</li> <li>• CSR (Member)</li> </ul>
3	Apollo Hospitals Enterprise Ltd.	Independent Director	<ul style="list-style-type: none"> <li>• Audit Committee (Member)</li> <li>• Stakeholders' Relationship Committee (Chairperson)</li> <li>• Risk Management Committee (Member)</li> </ul>
4	Bharat Biotech International Ltd.	Director	--
5	V. Rama Krishna Sons Pvt. Ltd.	Director	--

6	Velagapudi Foundation	Director	--
7	KCP Vietnam Industries Ltd. (Registered in Vietnam)	Director	--
8	Chennai Willingdon Corporate Foundation	Director	--
9	ABI- Showatech (India) Pvt. Ltd.	Director	<ul style="list-style-type: none"> <li>• NRC(Member)</li> <li>• Audit Committee (Member)</li> </ul>
10	K.C.P Technologies Ltd.	Director	--
11	Apollo Healthco Limited	Director	--

Brief particulars of Smt. V. Kavitha Dutt are given below:

Particulars	
Age	54 years
Qualification	Post-Graduate Diploma in Human Resources from New York University (NYU), New York
Experience	28 years
Original Date of Appointment	02.02.2015
Board Meetings attended in 2025-26	Attended 6 out of 7 meetings of the Board i.e. on 29.05.2025, 12.08.2025, 09.12.2025, 23.12.2025, 14.02.2026 and 30.03.2026.

Shri S.B. Mathur and Smt. V. Kavitha Dutt, being eligible, offers 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, 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 Shri S.B. Mathur and Smt. V. Kavitha Dutt, none of the other directors or Key Managerial Personnel of the Company or their relative(s) are interested financially or otherwise in the resolutions.

***For remuneration last drawn in FY26 by the above directors, please refer to the Corporate Governance Report which is a part of this Annual Report.***

## **DCM SHRIRAM INDUSTRIES LIMITED**

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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'

5<sup>th</sup> 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

Sr. Vice President

Shri Y D Gupta

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>

### **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

### **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 20.05.2026 reappointed M/s. Ramanath Iyer & Co., Cost Auditors (Regn. No.000019), 808, Pearls Business Park, Netaji Subhash Place, Delhi – 110034 as Cost Auditors of the Company for the year 2026-27 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 2026-27 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.5.

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

The term of office of Shri Vineet Manaktala, Director Finance & CFO, will come to an end on 30.06.2026. Continuing the policy of elevating a senior officer on the Board of the Company from time to time, the Board of Directors in its meeting held on 20.05.2026, on the recommendation of the Nomination & Remuneration Committee, inducted Shri Sanjay Rastogi (DIN 11712916), Chief Operating Officer (DSW) to the Board as an Additional Director as per Section 161 of the Companies Act, 2013 and appointed him as Director & Chief Operating Officer (DSW), effective from 01.07.2026 for a period of two years.

## DCM SHRIRAM INDUSTRIES LIMITED

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The appointment is subject to the approval of the shareholders by an Ordinary resolution as required under Sections 152, 161, 196, 197 and 198 of the Companies Act, 2013 read with Schedule V and other applicable provisions.

### Brief profile of Shri Sanjay Rastogi

Shri Sanjay Rastogi, (DIN: 11712916), aged 60 years, is B.Sc (Sugar Technology) and an alumnus of IIM- Ahmedabad and ASCI, Hyderabad with over 36 years of diversified experience in Sugar Industry. He oversees end to end plant functionality at Daurala Sugar Works (DSW).

He is presently Chief Operating Officer and under his broader leadership, the DSW Plant upholds quality standards and industrial research and development.

His contributions to sugar industry were acknowledged by "Bharatiya Sugar" in 10<sup>th</sup> annual symposium, 2022, Pune conferring the title "Best COO Sugar Mill Award 2022".

### **Terms and Conditions of Appointment**

The terms and conditions of the appointment of Shri Sanjay Rastogi as set out below are subject to the approval of the shareholders.

Particulars	Shri Sanjay Rastogi (60 years)
Designation	Director & COO (DSW)
Tenure	Two years from 01.07.2026 with continuity of service for the purpose of terminal benefits.
Salary (Rs./ per month)	Rs.5,00,000/-
Annual Reward	As may be decided by MD & CEO.
Housing	Company maintained accommodation or House Rent Allowance @ 55% of the salary as may be opted for. (Maintenance means normal routine upkeep and maintenance and shall not include structural changes)

### **Perquisites:**

Gas, Water, Electricity, Furniture, Furnishings, Attendant, LTA, etc.	50% of Basic salary.
P.A. Insurance	APCR *
Leave and Leave Encashment	APCR
PF, Gratuity & Superannuation	APCR
Medical expenses for self and family	APCR

Club Fees (Admission/ life membership fee not allowed)	Fees of clubs subject to a maximum of 2 Clubs (Admission/life membership fee not allowed).
Communication expenses	Actual

\* As Per Company Rules

The remuneration proposed is in line with his present remuneration.

#### Other Terms Applicable to the appointments

1. Salary, perquisites and commission/reward to all the managerial personnel shall not exceed 10% of the net profits computed in the manner laid down in Section 198 of the Companies Act 2013 in any financial year.
2. The managerial personnel will also be entitled for Company maintained chauffeur driven car, communication facilities, reimbursement of entertainment expenses actually and properly incurred for legitimate business of the Company and maintenance of a residential office suitable to his position. These will not be considered as perquisites for the purpose of ceilings on remuneration under the Companies Act.
3. Remuneration for part of the year will be computed on pro-rata basis.
4. In the event of absence or inadequacy of profits in any financial year the managerial personnel will be paid the above remuneration, subject to the ceiling provided in Part II Section II of Schedule V of the Companies Act, 2013 or such higher amount as may be permitted by the Govt. or subject to such approvals as may be required as minimum remuneration.
5. The appointment may be terminated by either party giving to the other three calendar months' notice in writing 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.
6. Shri Sanjay Rastogi has confirmed to the Board that he has not been disqualified u/s 164(2) of the Companies Act, 2013, to be appointed or to hold an office of director in a company. As required under SEBI (LODR) Regulations, 2015, he has further confirmed that he has not been debarred or disqualified from being appointed or from continuing to act as director of companies by any statutory authorities.

Considering his skill and contributions to the operations of the Company, the Directors recommend the resolution for your approval.

Except Shri Sanjay Rastogi, being the appointee, none of the other directors and Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 6.

## **DIRECTORS' REPORT**

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The Directors take pleasure in presenting the Annual Report and the Audited Financial Statements of your Company for the year ended 31<sup>st</sup> March 2026 together with the Reports of the Auditors and the Board of Directors thereon.

### **Economic scenario**

The Indian economy remains one of the world's fastest growing economies, with GDP growth projected to be around 6.5% - 6.9%, despite rising external risks from West Asia conflicts disrupting supply chains and increasing energy prices. While inflation (WPI) has risen to 3.9% due to these shocks, strong domestic demand and structural reforms provide resilience. Supply shocks and demand compression because of the continued middle east conflict are affecting raw-material supplies. The robust GST collection, over Rs.2 lakh crore in the month of March, 2026, is an indicator of resilience and continued good performance of the domestic economy.

While domestic economy is stable, the global economy is facing increased fragility due to geo-political tensions in the middle east, with growth projected to slowdown to 3.1% in 2026 and inflation rising modestly. The current outlook is characterised by high energy cost, tightened financial conditions and potential downside risks, if conflicts persist. Economies being inter-dependent, the ongoing conflicts afflict every country in different scales. It is hoped that a faster resolution of the conflicts will emerge in the overall interest of all countries.

### **Scheme of Arrangement**

The year 2025-26 marked a new era in the history of the Company. Lily Commercial Pvt. Limited (Lily), which happened to be the holding company of the Company for a short span and the share capital of which were held by the promoters of the Company, was amalgamated with the Company by a Scheme of Arrangement u/s 230-232 of the Companies Act, 2013. Simultaneously the two business undertakings of the Company viz. the Chemical undertaking and Rayon undertaking, including Engineering Projects Section, were demerged into two separate companies viz. DCM Shriram Fine Chemicals Limited and DCM Shriram International Limited, respectively as per the same Scheme. The sugar segment, viz. Daurala Sugar Works, has been retained in the Company. The Scheme was approved by the Hon'ble National Company Law Tribunal, Delhi (NCLT) by Order dated 21.11.2025. The shareholders of Lily Commercial Pvt. Ltd. (Lily) were allotted identical number of shares Lily held in the Company in proportion to their shareholding in Lily. As per the Scheme, the shareholders of the Company were allotted fully paid equity shares of Rs.2 each in the two resultant companies in the ratio of one share each for every share of Rs.2 held in the Company as on the record date i.e. 26.12.2025. These shares have been listed and admitted for trading on BSE and NSE w.e.f. 17.02.2026. The companies will strive to achieve the objectives as envisaged in the Scheme of Arrangement, keeping in view the interest of all stakeholders.

### **Financial Summary**

The Company reported a turnover of Rs.1160.12 cr, Gross profit was Rs.80.23 cr and Net profit of Rs.41.61 cr.

## **Appropriation and Dividend**

Considering the need for preserving resources to meet ongoing liabilities towards debt servicing, capital expenditure and the in view of the uncertainties in the economic front, the Board recommended a dividend of Re.0.40 per share of Rs.2 each (20%) for the year 2025-26.

The closing balance of Rs.217.88 cr, including Rs.187.67 cr brought forward from the previous years has been carried forward in the P&L Account without accounting for the proposed dividend of Rs.3.48 cr for the financial year 2025-26, which will be recognized as an appropriation in the current financial year on approval by the shareholders.

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://drive.google.com/file/d/1SBWBWV-jF3MXSANVzz96zcQSj5h7gNwf/view>

## **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 31.03.2026.

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 2025-26 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.

## **THE STATE OF COMPANY'S AFFAIRS**

### **Operations - Sugar**

The global sugar market in 2025–26 is witnessing a shift from the deficit situation of the previous season to a modest surplus, led by recovery in production across key regions such as Brazil, India and Thailand. Production is estimated at about 189–190 million tonnes, up from 182 million tonnes in the previous season, exceeding consumption of about 177–178 million tonnes. International prices have softened during the year, with a sharp correction due to improved supplies and surplus expectations.

In India, sugar production in 2025–26 is expected at around 28.5 million MT, up from about 26.1 million MT in the previous year, with consumption expected at around 28.0 million MT. Sugar diversion towards ethanol is expected to be around 3.4 million MT in SS 2025–26 against 3.5 million MT in SS 2024–25. The Government initially allowed export of 15 lakh MT of sugar, with an additional 5 lakh MT permitted subject to certain

## **DIRECTORS' REPORT** (continued)

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conditions. However, due to low international prices, only a partial quantity was exported. Adequate carryover stocks of 4–5 million tonnes are expected at the start of the next season, ensuring supply stability.

The Government of India has permitted distilleries to produce ethanol from sugarcane juice, sugar syrup, B-heavy and C-heavy molasses without any quantitative restrictions for the Ethanol Supply Year (ESY) 2025–26 (November–October), marking a significant policy shift from the restrictions placed in the previous season.

The Uttar Pradesh Government has increased the State Advisory Price of sugarcane by Rs.30 per quintal. While this benefits farmers, the increase is expected to exert pressure on margins of sugar mills, as there has been no corresponding increase in ethanol price or revision in the Sugar Minimum Selling Price (MSP).

It is a matter of relief to Units which have co-generation that power tariffs were revised by the Uttar Pradesh Electricity Regulatory Commission w.e.f. April 2024 by approximately Rs.0.90 per unit, with a marginal annual increase for the next four years. Further, the transport cost adjustment in sugarcane price for cane not delivered at the factory was marginally increased.

During FY 2025–26, the Company's sugar production was 21.11 lakh quintals, achieved by crushing 203.15 lakh quintals of cane on a C-heavy basis. Sugar recovery at 10.39% in FY 2025–26 was lower than 10.56% in FY 2024–25, primarily due to weather conditions.

Distillery production stood at 25,172 KL of alcohol during FY 2025–26, higher than 23,521 KL in FY 2024–25, a 7% increase.

Overall, while the structural transformation of the industry towards a bioenergy-led model has improved resilience and reduced cyclicity to an extent, the sector continues to operate within a policy-driven environment, and its performance remains closely aligned with regulatory developments, pricing mechanisms, feedstock availability and global market conditions.

### **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 had three non-material wholly owned subsidiaries, viz. Daurala Foods & Beverages Pvt. Ltd. (DFBL), DCM Shriram Fine Chemicals Limited (DSFCL), and DCM Shriram International Limited (DSIL). On effectuation of the Scheme of Arrangement, the 3 subsidiaries ceased to be subsidiaries of the Company from the appointed dated i.e. 01.04.2023. DCM Hyundai Limited was an associate company. DCM Hyundai

Limited ceased to be an associate company on effectuation of the Scheme as the investment held by the Company in the associate company has vested in DCM Shriram International Limited, one of the resultant companies of the Scheme of Arrangement. Accordingly, the Company did not have a subsidiary or associate as on 31.03.2026. The Company's investment in DFBL also vested in DSFCL as per Scheme and accordingly DFBL has become a wholly owned subsidiary of DSFCL.

## **Annual Return**

A copy of Annual Return for the year 2024-25, is available on the Company's web link [https://drive.google.com/file/d/1WqYHOK6a9w5GsBIRYliBJSE0\\_zEBWy86/view](https://drive.google.com/file/d/1WqYHOK6a9w5GsBIRYliBJSE0_zEBWy86/view) The Annual Return for the year 2025-26 will be uploaded after filing with the Registrar of Companies in due course.

## **BOARD MEETINGS AND DIRECTORS**

### **Meetings of the Board**

During the year 2025-26 seven board meetings were held. The dates of the meetings, attendance, etc., are given in the Corporate Governance Report annexed hereto.

### **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://drive.google.com/file/d/1cBktqYcUVbgMtqjbYFFjp0c7H-AOD2Ay/view>

### **Directors' Appointment and Remuneration**

Appointment of a director on the Board, other than nominee director, is based on the recommendation of the Nomination & Remuneration Committee (NRC). NRC identifies and recommends suitable person to the Board for appointment after assessing the necessary and desirable competencies. NRC also considers positive attributes like integrity, leadership position, time and willingness, financial acumen, management experience and knowledge in one or more fields of corporate management.

Independent Directors should fulfill the obligations of independence as per the Act and

## **DIRECTORS' REPORT** (continued)

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Regulation 25 of the SEBI Listing Regulations in addition to the general criteria stated above. All the Independent Directors of the Company as per requirement, are enrolled in the Databank of IDs maintained by Indian Institute of Corporate Affairs, a body under the Ministry of Corporate Affairs. The registration is renewed from time to time. It is ensured that a person to be appointed as a director does not suffer 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 2025-26 are given in the Corporate Governance Report forming part of this Report.

### **Changes in Directors or KMPs**

Pursuant to coming into effect of the Scheme of Arrangement, the Board of the Company was also reconstituted. Two of the managerial personnel viz. Shri Alok B. Shriram and Smt. Urvashi Tilakdhar demitted office as Sr. Managing Director and Whole Time Director, respectively, effective from 23.12.2025 and have taken up assignments in the Resultant Companies. Shri Suman Jyoti Khaitan and Smt. Meenakshi Behara, Independent Directors also demitted office on 23.12.2025. Shri Anurag Surana (DIN 00006665) and Shri Sidharth Prasad (DIN 00074194) joined the Board as Independent Directors effective from 10.12.2025.

Shri Uday Shriram (DIN 11407307) and Shri Rohan Shriram (DIN 08940521) were inducted on the Board and appointed as Dy. Managing Director and Whole Time Director, respectively, w.e.f. 23.12.2025. The appointments of the two Managerial Personnel and the Independent Directors have been approved by the shareholders by special resolutions through postal ballot process.

The term of office of Shri Vineet Manaktala, Director Finance & CFO, will come to an end on 30.06.2026. Keeping the policy of inducting a senior officer on the Board, the Board of Directors in its meeting held on 20.05.2026, on recommendation of the Nomination & Remuneration Committee, inducted Shri Sanjay Rastogi (DIN: 11712916) on the Board as an Additional Director and appointed him as "Director & Chief Operating Officer (DSW)" w.e.f. 01.07.2026. Shri Sanjay Rastogi is presently the Chief Operating Officer of Daurala Sugar Works (DSW). Approval of the shareholders to the appointment is being sought at the ensuing Annual General Meeting.

The Board at the same meeting, on recommendation of NRC and the Audit Committee, reappointed Shri Vineet Manaktala as Chief Financial Officer (CFO) (non-board member) for another period of one year from 01.07.2026.

Shri S.B. Mathur & Smt. V. Kavitha Dutt, 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.

The Board in its meeting held on 23.12.2025, in exercise of the powers conferred by the shareholders by special resolution dated 12.08.2023, redesignated Shri Madhav B. Shriram as Managing Director & CEO and enhanced his remuneration including

commission up to 5% from up to 3% of the net profit from the year 2025-26, considering the restructuring of the business of the Company and his wider responsibilities. The Board also fixed his basic salary at Rs.7.50 lakh p.m. from Rs.5.80 p.m. from 23.12.2025.

As per Article 15 of the Articles of Association of the Company, the Managing Director shall not be liable to retire by rotation. Previously Shri Alok B. Shriram, as Sr. Managing Director was a director under this category. With his demitting of office, the Board decided that Shri Madhav B. Shriram, Managing Director & CEO be a director not liable to retire by rotation pursuant to the above said Article.

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

As required under the Act and the SEBI Listing Regulations 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 2025-26 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 30.03.2026. A copy of the 'criteria for evaluation' is annexed as **Annexure 2** hereto.

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 2025-26.
- 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 watchdog 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 input and guidance.
- The IDs individually and collectively functioned constructively in the best interest of and were 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, 30.03.2026, prior to the Board

## **DIRECTORS' REPORT** (continued)

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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.

### **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**

A comprehensive and effective internal financial control system is followed by the Company. 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. An experienced professional firm is engaged as internal auditor 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 effective communication/ reporting system operates between the Unit and Corporate Office to keep abreast of regulatory changes and ensure compliances.

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

The Company has not given any loan, 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.

### **Related Party Transactions**

Daurala Sugar Works (DSW), a Unit of the Company, has been supplying power and steam to Daurala Organics and DSW Chemical Industries, which were also the Units of the Company prior to coming into effect of the Scheme of Arrangement. The annual transaction works out to Rs.40 cr. (approx.). On effectuation of the Scheme the Chemicals units got demerged and vested in DCM Shriram Fine Chemicals Limited, which is a related party, based on common control. The rates charged for power are same as being charged from the grid. Therefore, the transaction is in the normal course of business and at arms-length basis.

Regarding continuance of this transaction Clause 6.8.1. of the Scheme provides as under:

*“Daurala Sugar Works, a unit of DCMSR, is presently supplying power and steam to (a) Daurala Organics, presently a unit of DCMSR, (b) Daurala Chemical Industries, presently a unit of DCMSR, and each of which unit shall vest in Resultant Company 1 upon the Scheme becoming effective. Daurala Sugar Works shall continue to supply power and steam to the Resultant Company 1 at Daurala as is presently being done on the terms agreed between both the parties, upon the Scheme becoming effective, and the Board of Directors of each of the Resultant Company 1 and DCMSR shall have the authority to do all acts, deeds and things to preserve such arrangement, which authority shall be exercised reasonably in the best interests of DCMSR and the Resultant Company 1.”*

The Audit Committee and the Board of the respective companies have taken note of and ratified the arrangement.

There have been no other materially significant related party transactions between the Company and the Directors, Key Management Personnel or the relatives except for those disclosed in the financial statements – Note No.42 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 from time to time. A copy of the same is placed on the Company’s weblink: [https://drive.google.com/file/d/1wWcG-dcnJrIA\\_XZmNtKhfQNVX8ogCT8/view](https://drive.google.com/file/d/1wWcG-dcnJrIA_XZmNtKhfQNVX8ogCT8/view)

**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, Annual Report on CSR activities in the prescribed proforma is annexed – **Annexure 3**. The Company was required to spend Rs.78.79 lakh (after adjusting the excess spent Rs.7.59 lakh in the previous year i.e. 2024-25), being 2% of the average net profits of the preceding 3 years, during the year under review as per recast financial statements, which has been fully spent. The CFO has confirmed to the Board that funds mandated were spent as per approval of the CSR Committee and Board.

**Risk Management**

The provisions of Regulation 21 of the SEBI (LODR) Regulations with regard to constitution of Risk Management Committee do not apply to the Company based on market capitalization. Accordingly, Board has dissolved the Committee in its meeting held on 14.02.2026.

The Board periodically reviews the status of risk assessment and minimization procedures followed by the Company. No significant element of risk, which in the opinion of the Board may threaten the existence of the Company had arisen during the year.

**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 20,93,000  
(There is no such instance, where 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.

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## **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 20.05.2026 on recommendations of the NRC. The Remuneration Policy is posted on the Company's weblink.

<https://drive.google.com/file/d/1lbG3WQf3pEE6ZpJ8aYLNGSg3Kf0s8WWp/view>

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 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 Managing Director & CEO on the recommendation of Dy. Managing Director/ Whole Time Director, keeping in view the Remuneration Policy.

## **DIRECTORS' REPORT** (continued)

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### **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 2025-26 is annexed – **Annexure 6** hereto.

### **Audit Committee**

The Audit Committee presently comprises of four members, three IDs and one Non-ID. Shri Harjeet Singh Chopra is the Chairman and Shri S.B. Mathur (Chairman of the Board), Shri Sanjay C. Kirloskar and Shri Anurag Surana 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://drive.google.com/file/d/1VDY28xxeqOXK3tRxhox6smj73tJpEQpd/view>

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.

### **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.000019), 808, Pearls Business Park, Netaji Subhash Place, Pitampura, Delhi – 110034, who were appointed as Cost Auditors of the Company for the year 2024-25, submitted the Cost Audit report, due for filing on or before 10.09.2025, to the Central Government on 10.09.2025. They have been re-appointed as Cost Auditors for the year 2025-26. A resolution for ratification of their remuneration for the year 2026-27, 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 Board was reconstituted on effectuation of the Scheme of Arrangement, keeping also in view the succession plan. The policy can be accessed on the company website through <https://drive.google.com/file/d/1KuQIMOp7Yf4-oxPCwREMT7aWaNhEftuP/view>

### **Corporate Governance**

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

### **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 present Committee was reconstituted effective from 01.07.2023 for 3 years and is being reconstituted.

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

### **Compliance to the provisions of Maternity Benefits Act, 1961**

During the year the Company complied with the provisions relating to the Maternity Benefits Act, 1961.

## **DIRECTORS' REPORT** (continued)

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### **Applicability of IBC**

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

### **One Time Settlements**

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

### **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.

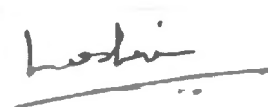
The Directors also place on record their appreciation of the contribution made by employees at all levels. Their conduct and support are of utmost importance in achieving the Company's objectives targets.

For and on behalf of the Board



(Uday Shriram)  
DIN: 11407307

**Dy. Managing Director**



(Madhav B. Shriram)  
DIN: 00203521

**Managing Director & CEO**

Place: New Delhi  
Date: 20<sup>th</sup> May, 2026

**FORM NO. MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members  
**DCM Shriram Industries Limited**  
Kanchenjunga Building,  
18 Barakhamba Road,  
Delhi, India, 110001

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate governance 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, 2026 ("**Audit Period**")/ "**period under review**") 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, 2026 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 SEBI (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**') : -

## **DIRECTORS' REPORT** (continued)

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- (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) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not applicable to the Company during the Audit Period**
  - (e) Securities and Exchange Board of India (Issue and Listing-of Non Convertible Securities) Regulations, 2021; **Not applicable to the Company during the Audit Period**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client to the extent of securities issued;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not applicable to the Company during the Audit Period**
  - (h) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **Not applicable to the Company during the Audit Period**
- (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:
- a) The Narcotic Drugs and Psychotropic Substances Act, 1985
  - b) Sugarcane Control Order, 1966
  - c) Sugar Control Order, 1966

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

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

During the period under review, the Company has generally 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 Directors, Non-Executive Directors, Independent Directors and Women Director. 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 is given to all Directors to schedule the Board/Committee 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 the 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 are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees 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, regulations and guidelines.

We further report that during the audit period, following event have occurred having major bearing on company's affairs in pursuance of the above referred laws, rules, regulations, guidelines and standards:

1. The Hon'ble National Company Law Tribunal, Delhi Bench on November 21, 2025 has approved the Scheme of Arrangement with the appointed date 1st April, 2023 which provides for Amalgamation of **Lily Commercial Private Limited** (Transferor Company), with DCM Shriram Industries Limited (Transferee Company) to be followed by De-merger of Chemical undertaking and Rayon Undertaking (the Demerged Business) of DCM Shriram Industries Limited (the Transferee Company) into DCM Shriram Fine Chemicals Limited (the Resulting Company No 1) and DCM Shriram International Limited (the Resulting Company No. 2) respectively and issue of shares of DCM Shriram Fine Chemicals Limited and DCM Shriram International Limited to the shareholder of DCM Shriram Industries Limited as on record date i.e., 26<sup>th</sup> December, 2025 in consideration of the said de-merger.

2. Pursuant to the said order of the Hon'ble Tribunal, Lily Commercial Pvt. Ltd (the transferor company) has been amalgamated with DCM Shriram Industries Limited and as per the Scheme 4,35,88,680 equity shares of Rs.2 each held by transferor company in the Company have been extinguished and identical number of shares were allotted to the shareholders of Lily Commercial Pvt. Limited as on 05.12.2025 as per Clause 3.5.1. of the Scheme of Arrangement.

3. Earlier, the Company had three subsidiaries—DCM Shriram International Limited, DCM Shriram Fine Chemicals Limited, and Daurala Foods & Beverages Private Limited. Pursuant to the De- merger order passed by the Hon'ble NCLT Bench dated 21.11.2025 with appointed date as 01.04.2023, these subsidiaries ceased to be subsidiaries of the Company. The Company does not have any subsidiary, associate, or holding company.

**For Chandrasekaran Associates**

**Company Secretaries**

**FRN: P1988DE002500**

**Peer Review Certificate No.:**

**Sd/-**

**Shashikant Tiwari**

**Partner**

**Membership No. F11919**

**Certificate of Practice No. 13050**

**UDIN: F011919H000323001**

**Date: 11.05.2026**

**Place: Delhi**

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

## **DIRECTORS' REPORT** (continued)

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To,  
The Members  
**DCM Shriram Industries Limited**  
6th Floor, Kanchenjunga Building,  
Barakhamba Road,  
Delhi, India, 110001

### **Annexure-A**

#### **Auditor's responsibility**

Based on audit, our responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. We conducted our audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. 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 and for which we relied on the report of statutory auditor.
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**  
**FRN: P1988DE002500**  
**Peer Review Certificate No.: 6689/2025**  
Sd/-

**Shashikant Tiwari**  
**Partner**  
Membership No. F11919  
Certificate of Practice No. 13050  
UDIN: F011919H000323001  
Date: 11.05.2026  
Place: Delhi

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

<b>Area of Evaluation</b>	<b>Criteria</b>
<b><u>a) Structure of the Board</u></b>	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>b) Meetings of the Board</u></b>	i) Regularity of meetings
	ii) Frequency
	iii) Logistics
	iv) Agenda
	v) Discussions and dissents
	vi) Recording of Minutes
	vii) Dissemination of information
<b><u>c) Functions of the Board</u></b>	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
<b><u>d) Board and Management</u></b>	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
<b><u>e) Professional development:</u></b>	

## **DIRECTORS' REPORT** (continued)

### **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.

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

<b>Area of Evaluation</b>	<b>Criteria</b>
<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**

<b>Area of Evaluation</b>	<b>Criteria</b>
<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.	Madhav B. Shriram	MD & CEO	3 (Three)	3
2.	Uday Shriram	DMD **		1
3.	Rohan Shriram	WTD **		1
4.	Manoj Kumar	Non-Executive Director		3
5.	Harjeet Singh Chopra	Independent Director		3
6.	Kamal Kumar	Nominee Director		3

\*\* w.e.f. 23.12.2025

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://drive.google.com/file/d/1fmlEABfpqU2Ux9yN331gfEZXalubG_n/view">https://drive.google.com/file/d/1fmlEABfpqU2Ux9yN331gfEZXalubG_n/view</a>
CSR Policy	<a href="https://drive.google.com/file/d/1gH1p7nzlxg1z9LuYNIDfnx1sySxtc7HW/view">https://drive.google.com/file/d/1gH1p7nzlxg1z9LuYNIDfnx1sySxtc7HW/view</a>
CSR Projects	NA

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.

5.

S. No	Particulars	Amount (Rs.)
(a)	Average net profit of the company as per sub-section (5) of section 135 <i>(As per Recast Financial Statements - on effectuation of the Composite Scheme of Arrangement)</i>	<b>43,19,23,238</b>
(b)	Two percent of average net profit of the company as per section 135(5)	<b>86,38,465</b>
(c)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	<b>0</b>
(d)	Amount required to be set off for the financial year, if any	<b>7,59,000</b>
(e)	Total CSR obligation for the financial year [(b)+(c)-(d)]	<b>78,79,465</b>

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): **Rs.76,03,127**

(b) Amount spent in Administrative Overheads: **Rs.3,50,000**

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

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]: **Rs.79,53,127**

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

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
<b>79,53,127</b>	NA	NA	NA	NA	NA

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

Sl. No.	Particular	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per section 135(5)	*78,79,465
(ii)	Total amount spent for the Financial Year	79,53,127
(iii)	Excess amount spent for the financial year [(ii)-(i)]	73,662
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	--
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	73,662

**\*After adjusting Rs.7,59,000 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	2022-23	NIL						
2	2023-24	NIL						
3	2024-25	NIL						
	Total							

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

Yes  No

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

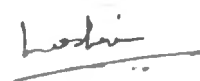
Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **Not Applicable**

Sl. No.	Short particulars of the property or asset(s)	Pin code of the property or asset	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Regn Number, if applicable	Name	Registered address

9. Specify the reason(s), if the Company has failed to spend 2% of the average net profit as per section 135(5): **NOT APPLICABLE**



(Uday Shriram)  
Dy. Managing Director  
DIN: 11407307



(Madhav B. Shriram)  
Managing Director & CEO  
Chairman, CSR Committee  
DIN: 00203521

Date: 20.05.2026  
Place: New Delhi

## **DIRECTORS' REPORT (continued)**

### **Annexure – 4**

#### **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:**

Energy conservation is a continuous process and every year we are taking major steps to reduce energy consumption. During the year 2025-26, we targeted to reduce steam consumption in process which ultimately saved the biofuel.

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

To achieve the energy conservation target, we modified our evaporator system by installing modernized falling film evaporator body.

###### **III. Capital investment on energy conservation equipment: Rs.1213.48 Lakhs**

##### **B. TECHNOLOGY ABSORPTION:**

###### **I. Efforts made towards technology absorption:**

- (a) Production of different type of refined sugar to meet different requirement of major institutional buyers as well as international market buyers.
- (b) Two new products, i. e. Icing sugar and Demerara sugar has been introduced to cater market demand.
- (c) Mobile App has been developed for all Technical Executives for real time information of different lab analysis results, so that corrective action could be taken in time.

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

- (a) Reduction in fuel cost due to less steam consumption.
- (b) Fuel cost has been reduced, since we modified our system to use maximum quantity of bagasse in place of rice husk/firewood.

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

###### **IV. Expenditure incurred on Research and Development:**


Expenditure of Rs.2.56 Lakh incurred on Research and Development during 2025-26.


##### **C. FOREIGN EXCHANGE EARNINGS & OUTGO 2025-26:**

- a) The foreign exchange **earned NIL** during the year.
- b) The foreign exchange **outgo is Rs.0.28 Lacs** during the year.

For and on behalf of the Board

Place: New Delhi  
Date: 20<sup>th</sup> May, 2026

  
(Uday Shriram)  
DIN: 11407307  
**Dy. Managing Director**

  
(Madhav B. Shriram)  
DIN: 00203521  
**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 2025-26:

- Shri S.B. Mathur, Chairman	-	6:1
- Shri Madhav B. Shriram, MD & CEO	-	93:1
- Shri Uday Shriram, Dy. MD	-	10:1
- Shri Rohan Shriram, WTD	-	10:1
- Shri Vineet Manaktala, Director Finance & CFO	-	31:1
- Smt. V. Kavitha Dutt, Non-Executive Director	-	4:1
- Shri Sanjay C. Kirloskar, Independent Director	-	5:1
- Shri Manoj Kumar, Non-Executive Director	-	5:1
- Shri Harjeet Singh Chopra, Independent Director	-	5:1
- Shri Anurag Surana, Independent Director	-	1:1
- Shri Sidharth Prasad, Independent Director	-	1:1
- Shri Kamal Kumar, Nominee Director (LIC)	-	4:1

2. The percentage increase / (decrease) in remuneration of each Director, CFO and Company Secretary in the financial year 2025-26:

- Shri S.B. Mathur, Chairman	-	(40)
- Shri Madhav B. Shriram, MD & CEO	-	(37)
- Shri Uday Shriram, Dy. MD (w.e.f. 23.12.2025)	-	NA
- Smt. Rohan Shriram, WTD (w.e.f. 23.12.2025)	-	NA
- Shri Vineet Manaktala, Director Finance & CFO	-	11
- Smt. V. Kavitha Dutt, Non-Executive Director	-	(58)
- Shri Sanjay C. Kirloskar, Independent Director	-	(45)
- Shri Manoj Kumar, Non-Executive Director	-	(38)
- Shri Harjeet Singh Chopra, Independent Director	-	(42)
- Shri Anurag Surana, Independent Director (w.e.f. 10.12.2025)	-	NA
- Shri Siddharth Prasad, Independent Director (w.e.f. 10.12.2025)	-	NA
- Shri Kamal Kumar, Nominee Director (LIC)	-	(38)
- Shri Y.D. Gupta, Company Secretary	-	12

## **DIRECTORS' REPORT** (continued)

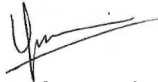
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3. Percentage decrease in the median remuneration of employees in the financial year : 14.12
4. Number of permanent employees on the rolls of the Company : 843
5. Average percentile decrease in the remuneration of employees other than managerial personnel during the year 2025-26 was 14.33%, whereas the average percentile decrease in the managerial remuneration was 45.51%. The decrease in percentile is because of decrease in commission which is linked to profit. 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.

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Note: The decrease in Percentage, Percentile and Median in remuneration is due to the reduction in the number of employees during the year pursuant to the reorganization of the Company giving effect to the Scheme of Arrangement approved by the Hon'ble NCLT.

For and on behalf of the Board



(Uday Shriram)  
DIN: 11407307

**Dy. Managing Director**



(Madhav B. Shriram)  
DIN: 00203521

**Managing Director & CEO**

Place: New Delhi  
Date: 20<sup>th</sup> May, 2026

## 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, 2026.**

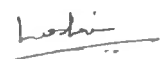
**A) Name of top ten employees and the name of every employee who if employed throughout the year under review and were in receipt of remuneration for the year in aggregate of not less than Rs.1,02,00,000/-**

Name	Designation and nature of Duties	Remuneration Received (Rs.)	Qualification	Experience (years)	Date of commencement	Age (years)	Particulars of last employment.
Madhav B. Shriram	Managing Director & CEO	3,21,60,440	B.Com. (Hons.), MBA	38	22.05.1990	61	Executive Trainee, Nissho Iwai
Vineet Manaktala	Director Finance & CFO	1,08,77,984	B. Com (Hons), M.Com CA	41	11.04.1995	63	Shriram Honda Power Products Ltd
Sanjay Rastogi	Chief Operating Officer (DSW)	96,07,648	B.Sc., Sugar Tech. Course	38	23.09.1989	60	Mansoorpur Sugar Mill
Y.D. Gupta	Company Secretary & Sr. VP (Law & Taxation)	69,55,991	ICSI, ICMA, LLB	50	30.08.1976	70	Madan Mohan Lal Shriram Pvt. Ltd.
Uday Shriram	Dy. Managing Director	68,56,686	B.A. (double major) in Biology and Writing for Performance and a Master of Science in Biotechnology	10	05.08.2024	33	Sanofi Speciality Care, Cambridge, Massachusetts
GS Nair	Sr. VP	66,91,705	Graduate	55	16.05.1979	77	DCM Limited
Rohit Lal	Vice President, HR, Admin & Insurance	54,68,025	BSc., LLB, PGDM	43	23.02.1983	65	DCM Ltd.
Rohan Shriram	Whole Time Director	50,48,748	Bachelor's degree in Economics and Government	12	11.02.2020	31	Verisk Financial Services
Ashutosh Pandey	Addl.GM (Alcohol)	47,69,506	B.Sc., LLB, MBA	24	02.03.2020	49	IGL
Sanjeev Kumar	Chief GM (Cane)	46,93,476	B.Sc. (Agri.), PGD Sugarcane	27	23.09.2006	51	Titawi Sugar Complex

Mr. Uday Shriram & Mr. Rohan Shriram are related to Mr. Madhav 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**

  
 (Uday Shriram)  
 DIN: 11407307  
**Dy. Managing Director**

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

Place: New Delhi  
Date: 20<sup>th</sup> May, 2026

**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 other stakeholders, including customers. Ethical conduct and transparent operations are benchmarks of Corporate Governance. Regulatory frameworks are also designed to support this objective, safeguarding investor confidence against potentially damaging corporate actions. Notably, the DCM group recognized the value of corporate governance practices over a century ago, long before it had become 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 evolving and becoming more transparent with technological advance and are now integral to effective management. Every business, regardless of 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 to both mandatory regulations set by regulatory bodies and voluntary guidelines provide clarity and transparency. However, corporate governance transcends not mere compliance; it necessitates building a bond of trust and a strong reputation with stakeholders in particular and wider society in general. 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 concerns for environment. 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 by establishing rigorous compliance standards to maintain the trust of all stakeholders.

The CG Report in respect of the year ended 31.03.2026 is given below:

**(B) Board of Directors (as on 31.03.2026)**

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, Seven (7) Board meetings were held in hybrid mode on 29.05.2025, 12.08.2025, 05.11.2025, 09.12.2025, 23.12.2025, 14.02.2026 and 30.03.2026. 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	Chairpersons
1	Shri S.B. Mathur	00013239	Chairman (Non-Executive)	7	Yes	3	1	1
2	Shri Madhav B. Shriram	00203521	MD & CEO (Promoter & Executive Director)	7	Yes	1	None	None
3	Shri Uday Shriram (Appointed on 23.12.2025)	11407307	DMD (Promoter & Executive Director)	3	NA	None	None	None
4	Shri Rohan Shriram (Appointed on 23.12.2025)	08940521	WTD (Promoter & Executive Director)	3	NA	None	None	None
5	Shri Vineet Manaktala	09145644	Director Finance & CFO (Executive Director)	7	Yes	None	None	None
6	Shri Sanjay C. Kirloskar	00007885	Non-Executive Independent Director	7	Yes	3	3	1
7	Shri Manoj Kumar	00072634	Non – Executive Director	7	Yes	2	4	1
8	Smt. V. Kavitha Dutt	00139274	Non-Executive Director	6	Yes	6	3	1
9	Shri Harjeet Singh Chopra	02564163	Non-Executive Independent Director	7	Yes	None	None	None

**DIRECTORS' REPORT** (continued)

10	Shri Anurag Surana	00006665	Non-Executive Independent Director	3	NA	6	3	None
11	Shri Sidharth Prasad	00074194	Non-Executive Independent Director	3	NA	2	2	None
12	Shri Kamal Kumar	10548701	Nominee Director, LIC	7	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.

Shri Alok B. Shriram, Sr. Managing Director & CEO and Smt. Urvashi Tilakdhar, Whole Time Director, Shri Suman Jyoti Khaitan and Smt. Meenakshi Behara, Independent Directors of the Company, resigned from the Board w.e.f. 23.12.2025 as part of the implementation of the Scheme of Arrangement and reconstitution of the Boards of the demerged and resultant companies.

Further, Shri Uday Shriram and Shri Rohan Shriram were inducted to the Board and were appointed as Deputy Managing Director and Whole Time Director of the Company, respectively, w.e.f. 23.12.2025. Shri Anurag Surana and Shri Sidharth Prasad were appointed as Independent Directors w.e.f. 10.12.2025. Their appointments were approved by the shareholders by special resolutions through postal ballot/ e-voting.

Shri Uday Shriram and Shri Rohan Shriram, sons of Madhav B. Shriram are related to each other. None of the other Directors are related to any other Director on the Board.

**Directorships in other listed entities:**

S. No.	Name of Directors	Other Directorship in Listed Entities	Category of Directorship
1	Shri S. B. Mathur	DCM Shriram Fine Chemicals Limited DCM Shriram International Limited	Non-Executive, Non-Independent Director
2	Shri Madhav B. Shriram	-----	-----
3	Shri Uday Shriram	-----	-----
4	Shri Rohan Shriram	-----	-----
5	Shri Vineet Manaktala	-----	-----
6	Shri Sanjay C. Kirloskar	Kirloskar Brothers Limited DCM Shriram International Limited	Managing Director Independent Director (Chairman)
7	Shri Manoj Kumar	Spicejet Limited	Independent Director
8	Smt. V. Kavitha Dutt	The K C P Limited	Managing Director

		Centum Electronics Limited	Independent Director
		Apollo Hospitals Enterprise Limited	Independent Director
9	Shri Harjeet Singh Chopra	----	----
10	Shri Kamal Kumar	----	----
11	Shri Anurag Surana	Privi Speciality Chemicals Limited	Independent Director
		Yasho Industries Limited	Independent Director
		Neogen Chemicals Limited	Non-Executive Chairman
12	Shri Sidharth Prasad	-----	-----

**Meeting of Independent Directors:** A separate meeting of Independent Directors, pursuant to Schedule IV of the Companies Act, 2013 and Regulation 25 of the SEBI (LODR) Regulations, was held on 30.03.2026. 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. The Independent Directors appreciated the performances of the Board and management.

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 holds any 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://drive.google.com/file/d/1B7X5o\\_5lgjpacAkRrXOD9zmi63lvaj0r/view](https://drive.google.com/file/d/1B7X5o_5lgjpacAkRrXOD9zmi63lvaj0r/view)

As all the directors had visited the plants one time or the other and are familiar with operations, no familiarization programme was organized during the year. In addition, operations are reviewed periodically in the Board meetings.

#### **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

## DIRECTORS' REPORT (continued)

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 Madhav B. Shriram	•	•	•	•	•
Shri Uday Shriram	•	•	•	•	•
Shri Rohan Shriram	•	•	•	•	•
Shri Vineet Manaktala	•	•	•	•	•
Shri Sanjay C. Kirloskar	•	•	•	•	•
Shri Manoj Kumar	•	•	•	•	•
Smt. V. Kavitha Dutt	•	•	•	•	•
Shri Harjeet Singh Chopra	•	•	•	•	•
Shri Kamal Kumar	•	•	•	•	•
Shri Anurag Surana	•	•	•	•	•
Shri Sidharth Prasad	•	•	•	•	•

### 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 except Shri Suman Jyoti Khaitan and Smt. Meenakshi Behara, who had resigned to facilitate re-constitution of the Board in the light of the Scheme of Arrangement. Shri Suman Jyoti Khaitan and Smt. Meenakshi Behara confirmed that there are no other material reasons other than those provided in their letters.

### (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, five (5) meetings of the Audit Committee were

held in hybrid mode on 29.05.2025, 12.08.2025, 05.11.2025, 09.12.2025 and 14.02.2026.

The Audit Committee as on 31.03.2026 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
Shri Harjeet Singh Chopra	Chairman	5
Shri S.B. Mathur	Member	5
Shri Sanjay C. Kirloskar	Member	5
Shri Anurag Surana	Member (From 23.12.2025)	1
Shri Suman Jyoti Khaitan	Member (Till 23.12.2025)	4

The Audit Committee was reconstituted on the restructuring of the Board composition, effective from 23.12.2025. All the Members possess 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 and representative(s) of the Statutory Auditors attended the meetings of the Committee. All the members of the Audit Committee, except Shri Anurag Surana, who joined the Committee on 23.12.2025, were present at the previous AGM held on 12.08.2025.

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.

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

The NRC as on 31.03.2026 comprised of four (4) Non-Executive Directors of which three (3) are Independent Directors. During the year, two (2) meetings of the NRC were held on 09.12.2025 and 23.12.2025. The attendance at the meetings were as follows:

Name of the Member	Status	No. of Meetings attended
Shri Sanjay C. Kirloskar	Chairman	2
Shri S.B. Mathur	Member	2
Shri Harjeet Singh Chopra	Member	2
Shri Suman Jyoti Khaitan	Member	2

## DIRECTORS' REPORT (continued)

	(Till 23.12.2025)	
Shri Sidharth Prasad	Member (From 23.12.2025)	--

NRC was reconstituted effective from 23.12.2025 upon restructuring of the composition of the Board. All the members of the NRC except Shri Sidharth Prasad, who joined the Committee on 23.12.2025, were present at the previous AGM held on 12.08.2025. The minutes of the meetings of the NRC are placed before the Board.

### (iii) Performance Evaluation Criteria

The NRC, 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://drive.google.com/file/d/1IbG3WQf3pEE6ZpJ8aYLNgsG3Kf0s8WWp/view>

### (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 30.03.2026. The composition of the Committee and the attendance at the meeting are as under:

Name of the Member	Status	No. of Meetings attended
Shri Manoj Kumar	Chairman	1
Shri Alok B. Shriram	Member (Till 23.12.2025)	--
Shri S. B. Mathur	Member	1
Shri Madhav B. Shriram	Member	1
Shri Suman Jyoti Khaitan	Member (Till 23.12.2025)	--
Shri Rohan Shriram	Member (From 23.12.2025)	1
Shri Sidharth Prasad	Member (From 23.12.2025)	1

All the members of the Committee except Shri Rohan Shriram and Shri Sidharth Prasad, who joined the Committee on 23.12.2025, were present at the previous

AGM held on 12.08.2025. Shri Y. D. Gupta, Company Secretary is the Compliance Officer of the Company.

During the year 2025-2026, the Company received Thirty-Six (36) shareholders' complaints all of which have been resolved to the satisfaction of the shareholders.

**(F) Risk Management Committee (RMC)**

**Terms of Reference**

The provisions of Regulation 21 of the SEBI (LODR) Regulations with regard to constitution of Risk Management Committee (RMC) do not apply to the Company based on market capitalization. Accordingly, Board has dissolved the Committee in its meeting held on 14.02.2026.

Prior to the dissolution, one (1) meeting of the RMC was held on 02.08.2025, which was attended by all the members.

The Board periodically review the status of risk assessment and minimization procedures/ policies followed by the Company. No significant element of risk, which in the opinion of the Board may threaten the existence of the Company had arisen during the year.

**(G) Particulars of Sr. Management (other than Board of Directors & KMPs)**

<b>Name of Senior Management</b>	<b>Designation</b>
Shri Sanjay Rastogi	Chief Operating Officer (DSW)

**(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 the Board of Directors to Non-Executive Directors. The details of the sitting fee and commission paid for the year 2025-26 to Non-Executive Directors are given below:

<b>Name of Non-Executive Director</b>	<b>(Amount in Rs.)</b>	
	<b>Sitting fees (Rs.)</b>	<b>Commission (Rs.)</b>
Shri S.B. Mathur	8,10,000	12,60,000

## DIRECTORS' REPORT (continued)

Smt. V. Kavitha Dutt	3,60,000	9,40,000
Shri Sanjay C. Kirloskar	6,90,000	9,40,000
Shri Manoj Kumar	6,30,000	9,40,000
Shri Harjeet Singh Chopra	9,30,000	9,40,000
Shri Suman Jyoti Khaitan (Till 23.12.2025)	4,80,000	-
Smt. Meenakshi Behara (Till 23.12.2025)	3,00,000	-
Shri Kamal Kumar (Payable to LIC)	5,40,000	9,40,000
Shri Anurag Surana	2,40,000	2,35,000
Shri Sidharth Prasad	2,40,000	2,35,000

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 31.03.2026 are given below:

(Amount in Rs.)

Name of Executive Directors	Salary	Commission/ Reward	Perquisites	Retirement benefits
Shri Madhav B. Shriram (MD)	75,19,355	1,78,92,000	47,18,859	20,30,226
Shri Uday Shriram (DMD) (From 23.12.2025)	16,45,161	3,66,000	10,29,477	4,44,194
Shri Rohan Shriram (WTD) (From 23.12.2025)	16,45,161	13,22,000	73,477	4,44,194
Shri Vineet Manaktala [Director Finance & CFO]	41,40,000	18,30,000*	37,90,184	11,17,800

\*For the year 2024-25.

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
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
2024-25	12/08/2025	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 2025**

No special resolution was passed in the last AGM held on 12.08.2025.

### **AGM 2024**

One special resolution was passed in the 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

### **Postal Ballot**

The Company has passed four (4) Special Resolutions through Postal Ballot during FY 2025-26 as stated hereunder. Shri Kamaljit Singh (COP No. 16847) 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 notices were 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, 19.01.2026.

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, 26.01.2026 (09.00 a.m.) to Tuesday, 24.02.2026 (05.00 p.m.).

The scrutinizer submitted his report on E-voting on 25.02.2026. On the basis of the scrutinizer's report, Managing Director & CEO as authorized by the Chairman declared the results of the postal ballot through e-voting and announced that the four 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

## **DIRECTORS' REPORT** (continued)

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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:

<b>Sr. No.</b>	<b>Particulars</b>
1	<b>Special Resolution</b> - Appointment of Mr. Anurag Surana (DIN:00006665) as an Independent Director of the Company.
2	<b>Special Resolution</b> - Appointment of Mr. Sidharth Prasad (DIN 00074194) as an Independent Director of the Company.
3	<b>Special Resolution</b> - Appointment of Mr. Uday Shriram (DIN: 11407307) as a Director liable to retire by rotation and Dy. Managing Director.
4	<b>Special Resolution</b> - Appointment of Mr. Rohan Shriram (DIN: 08940521) as a Director liable to retire by rotation and Whole Time Director.

### **(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://www.dcmsr.com/investors> under Financial Results - Annual Reports. 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.

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## (K) General Shareholder Information

- i. The next AGM will be held on Wednesday, the 15th of July 2026 at 11:30 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 3<sup>rd</sup> July 2026.
- iv. **Dividend**

Considering the need to preserve resources to meet ongoing liabilities towards debt servicing, capital expenditure and in view of the uncertainties on the economic front, the Board of Directors recommended a modest dividend of Re.0.40 per share of Rs.2 each (20%) for the financial year 2025-26.

- 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. 14,28,216 pertaining the financial Year 2017-18 (Final Dividend) on 24.10.2025 to the IEPF. The Company has also transferred 1,32,705 shares to IEPF on 13.11.2025 on which dividends have not been claimed for seven consecutive years.

The unclaimed dividend for the financial year 2018-19 declared on August 13, 2019, along with the relative shares are due to be transferred to the IEPF in September, 2026. The same can, however, be claimed by the Members by 31.08.2026. 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, 2019 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.

## **DIRECTORS' REPORT** (continued)

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.)

<b>Financial Year</b>	<b>Date of Declaration of Dividend</b>	<b>Unpaid Amount</b>	<b>Due to be Transferred to IEPF Fund</b>
<b>2018-19 (Final)</b>	13.08.2019	17,65,884	September, 2026
<b>2019-20 (Interim)</b>	10.02.2020	16,20,595	March, 2027
<b>2020-21 (Interim)</b>	12.02.2021	14,87,822	March, 2028
<b>2020-21 (Final)</b>	08.09.2021	7,26,811	October, 2028
<b>2021-22 (Interim)</b>	14.02.2022	13,02,110	March, 2029
<b>2021-22 (Final)</b>	08.08.2022	6,86,861	September, 2029
<b>2022-23 (Interim)</b>	14.02.2023	11,74,657	March, 2030
<b>2023-24 (Interim)</b>	28.03.2024	27,78,828	May, 2031
<b>2024-25 (Interim)</b>	28.03.2025	38,65,061	May, 2032

### vi. Listing on Stock Exchanges

The names of the stock exchanges at which Company's shares are listed as on 31st March, 2026 and details of "Scrip Code / Symbol" are mentioned below:

<b>Name of the Stock Exchange</b>	<b>SCRIP Code / Symbol</b>
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@kfinotech.com](mailto:einward.ris@kfinotech.com)

New Delhi House, 305,  
3<sup>rd</sup> 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.

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://www.dcmsr.com/investors> under 'Circular to Shareholders' Section.

**Committee for issue of Duplicate Share Certificates-** The Board had constituted a committee of three Directors to approve requests for issue of duplicate share certificates expeditiously against those reported lost, mutilated or untraceable. The Board delegated the powers of the Committee to the Company Secretary to expedite the process in line with the SEBI Guidelines in this regard.

### (ix) Shareholding

#### A. Distribution of Shareholding as on 31<sup>st</sup> March, 2026

Category (Shares)	No. of Shareholders	% of Shareholders	Total Shares	% of Shares
1 - 5000	58862	98.79	14121884	16.23
5001 - 10000	376	0.63	2787102	3.20
10001 - 20000	157	0.26	2251643	2.59
20001 - 30000	67	0.11	1651869	1.90
30001 - 40000	31	0.05	1076786	1.24
40001 - 50000	23	0.04	1072328	1.23
50001 - 100000	35	0.06	2468352	2.84
100001 and above	34	0.06	61562221	70.77
<b>TOTAL:</b>	<b>59,585</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 31<sup>st</sup> March, 2026

**DIRECTORS' REPORT** (continued)

Category	No. of shares held	% of Shareholding
Promoters	4,35,90,115	50.11
Insurance Companies, AIF, Banks, Mutual funds & Other Financial Institutions	1,11,58,346	12.83
Foreign Portfolio Investor	10,20,357	1.17
IEPF	29,39,309	3.38
Others (Public)	2,82,84,058	32.51
<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 31.03.2026, 859.71 Lakh out of 869.92 Lakh (98.83%) 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) Commodity price risk or Foreign Exchange risk and hedging activities:**

During the year, there has been no commodity price risk, foreign exchange risk and the Company has not undertaken any hedging activities.

**(xiii) Plant locations****Daurala Sugar Works**

Daurala  
Meerut (U.P.)

**(xiv) Address for correspondence with the Company**

'Investor Service Section'  
5<sup>th</sup> Floor, Kanchenjunga Building,  
18, Barakhamba Road, New Delhi – 110001  
CIN – L74899DL1989PLC035140  
E-mail ID – [investorservices@dcmsr.com](mailto:investorservices@dcmsr.com)  
Tel: 011-43745021

**(xv) Credit Ratings**

Credit ratings assigned to the Company are as under:

Facilities	Rating	Remarks #
Long Term Bank	CARE A- ; Stable	Downgraded from CARE A+ and removed

<b>Facilities</b>		from Rating Watch with Negative implications; stable outlook assigned.
<b>Short Term Bank Facilities</b>	<b>CARE A2 +</b>	Downgraded from CARE A1+ and removed from Rating Watch with Negative implications.
<b>Fixed Deposit</b>	<b>CARE A- ; Stable</b>	Downgraded from CARE A+ and removed from Rating Watch with Negative implications; stable outlook assigned.

# On the basis of operational and financial performance for the financial year 2024-25 and nine months period ended 31.12.2025 in the light of the Composite Scheme of Arrangement approved by the Hon'ble NCLT.

**(xvi) Other Disclosures**

- a) There have been no materially significant related party transactions that may have potential conflict with the interest of the Company at large.
- b) There has been no instance of non-compliance by the Company of any requirements related to capital markets during the last 3 years.
- c) 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.
- d) 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.
- e) The policy regarding determination of material subsidiary is available on the Company's website  
[https://drive.google.com/file/d/1nmI0k4G92CjIFUBuIS2V34iGk4\\_ssXMy/view](https://drive.google.com/file/d/1nmI0k4G92CjIFUBuIS2V34iGk4_ssXMy/view)  
 The Company has no material subsidiary.
- f) The policy on dealing with related party transactions is available on the Company's website  
[https://drive.google.com/file/d/1wWcG-dcnJrIA\\_XZmNtKhfQNVX8ogCT8/view](https://drive.google.com/file/d/1wWcG-dcnJrIA_XZmNtKhfQNVX8ogCT8/view).
- g) The Company is not engaged in commodity trading on the Commodity Exchange/s, except in Renewable Energy Certificate (REC).
- h) 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 2025-26.
- i) 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' REPORT** (continued)

Directors of companies by SEBI / Ministry of Corporate Affairs, or any such statutory authorities.

- j) There has been no case where the Board did not accept any recommendation of any of the Committees of the Board.
- k) Total fees of Rs. 96.66 lakh had been paid by the Company to the Statutory Auditors viz. BSR & Co. LLP during the year 2025-26.
- 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 2025-26.
- 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 SEBI (LODR) Regulations, are as under:

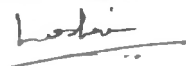
<b>Particulars</b>	<b>No. of Folios</b>	<b>No. of Shares</b>
Outstanding shares in the suspense Account as on 01.04.2025.	148	10,050
Number of shareholders approached the Company for transfer of shares from suspense account during the year 2025-26.	-	-
Number of shareholders to whom shares were transferred from suspense account during the year 2025-26.	-	-
Shares transferred to IEPF as per IEPF Rules 2016 (for the year 2025-26) from suspense account.	38	2455
Outstanding shares lying in the suspense account at the end of 31.03.2026.	110	7,595

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



(Uday Shriram)  
DIN: 11407307  
**Dy. Managing Director**



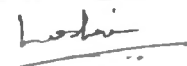
(Madhav B. Shriram)  
DIN: 00203521  
**Managing Director & CEO**

Place: New Delhi  
Date: 20<sup>th</sup> May, 2026

### **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 2025-26.

Dated: May 20, 2026



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

**CERTIFICATE ON COMPLIANCE WITH CORPORATE GOVERNANCE**

To,  
The Members  
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 financial year ended March 31, 2026, as stipulated in 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 statements 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: F011335H000400273**  
**Peer Review no. 6002/2024**  
**Place: Faridabad**  
**Date: 19/05/2026**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(Pursuant to Regulation 34(3) read with 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,  
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, 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 Sub 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 as on Financial Year ended on March 31, 2026 none of the Directors on the Board of the Company as stated below 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:

<b>S. No.</b>	<b>Name of the Director</b>	<b>DIN</b>	<b>Date of appointment in Company</b>
1.	Sunil Behari Mathur	00013239	14/01/2008
2.	Madhav Bansidhar Shriram	00203521	05/10/2005
3.	Uday Shriram	11407307	23/12/2025
4.	Rohan Shriram	08940521	23/12/2025
5.	Vineet Manaktala	09145644	01/07/2021
6.	Velagapudi Kavitha Dutt	00139274	02/02/2015
7.	Sanjay Chandrakant Kirloskar	00007885	01/09/2018
8.	Manoj Kumar	00072634	27/06/2020
9.	Harjeet Singh Chopra	02564163	01/04/2024
10.	Anurag Surana	00006665	10/12/2025
11.	Sidharth Prasad	00074194	10/12/2025
12.	Kamal Kumar	10548701	15/03/2024

## **DIRECTORS' REPORT** (continued)

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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 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: F011919H000323109

Date: 11.05.2026

Place: Delhi

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT-2025-26**

With the coming into effect of the Scheme of Arrangement u/s 230-232 of the Companies Act, 2013, effective from 17.12.2025 and demerger of Chemical and Rayon divisions, the Company's business comprised of sugar, alcohol and co-generation of power. Its manufacturing facilities are located at Daurala (U.P.). Directors' Report provides overview of performance and outlook of the operations and also deals with internal financial controls, their adequacy, risks, and concerns.

The industry situation and competitive scenario of the sugar sector are given below:

The Company has an integrated sugar plant, with business operations comprising sugar, alcohol and co-generation of power.

Domestic sugar production in 2025–26 is expected at around 28.5 million MT, up from about 26.1 million MT in the previous year. The increase is due to improved cane yields resulting from favourable monsoon rains and increased acreage in major sugar producing states such as Maharashtra and Karnataka. Carryover stocks of 4–5 million tonnes are expected at the start of the next season. Integrated sugar mills are expected to report moderate revenue growth of 5–8% in FY 2026, supported by higher distillery sales volumes and stable sugar prices, ensuring supply stability.

The Indian sugar sector is transitioning from a traditional commodity market to a high-growth bio-energy industry, characterized by strong domestic production, a push towards 20% ethanol blending (E20), and stable, though challenged, financial performance for mills.

### **Integrated Sugar Plant - Strengths, Weaknesses, Opportunities & Threats (SWOT):**

#### **Strengths**

- **Integrated business model:** The integrated business model is a significant strength, combining sugar production with co-generation of power and ethanol manufacturing, allowing optimisation of resources and revenue streams.
- **Adequate production to meet domestic demand:** India, the world's second-largest sugar producer, is self-sufficient in meeting domestic demand despite being the largest consumer of sugar globally. Production stability is also supported by the industry's presence across various regions in India, reducing the impact of adverse weather conditions on overall production.

- **Strategic Government intervention:** The Government balances the interests of farmers and sugar mills and ensures supply-demand balance and price stability through timely policy interventions, including fixation of Fair and Remunerative Price (FRP) for sugarcane, regulation of monthly domestic sales quotas (release mechanism), control over imports/exports, and policies governing diversion of surplus sugar towards ethanol production.

### Weaknesses

- **Climatic dependence:** The industry remains highly dependent on weather conditions, with adverse climatic events impacting cane availability and sugar output.
- **High policy dependence:** Uncertainties around export quotas, ethanol pricing and diversion norms constrain long-term planning and investment decisions.
- **Margin pressure from cost-price mismatch:** The mismatch between cane prices (particularly SAP-driven) and sugar realisations continues to impact profitability and liquidity.

### Opportunities

- **Technology adoption:** Deployment of smart cane farming, automation and digitised farmer interfaces can enhance productivity, efficiency and transparency.
- **ESG and green energy potential:** Ethanol blending, cogeneration and circular economy initiatives such as bio-compost align the industry with sustainability and ESG objectives.
- **Ethanol blending expansion (E85/E100):** The Government's push towards higher ethanol blending, including discussions on E85 and E100 fuels, provides a structural opportunity for revenue diversification and production balancing.
- **Second-generation ethanol development:** Ongoing R&D for cost-effective production of 2G ethanol from bagasse presents significant long-term value creation potential.

### Threats

- **Intensifying climatic risks:** Recurrent droughts and erratic rainfall patterns continue to pose risks to production stability.

- **Ethanol pricing uncertainty:** Unviable ethanol pricing relative to sugarcane costs may impact investments in distillery capacity.
- **Competition for land and water:** Urbanisation and crop diversification are increasing pressure on land and water resources in key cane-growing regions.
- **Rising cane procurement costs:** Upward revisions in SAP for cane procurement (including recent increases for 2025–26) may compress margins unless offset by higher realisations or policy support.
- **Global market volatility:** Surplus production in countries such as Brazil, along with currency fluctuations, can impact export competitiveness and inventory levels.

Considering the above SWOT analysis, the Company has, over time, undertaken the following initiatives:

- **Technology upgradation:** Continuous investment in modernisation to improve efficiency and product quality.
- **Capability building:** Focused training and skill development initiatives to enhance operational effectiveness.
- **Operational and environmental efficiency:** Strengthening processes to improve output, cost efficiency and environmental compliance, positioning the Unit to navigate industry cycles effectively.

The Company's production-related key focus areas and strategic priorities are outlined below:

- **Driving organic growth:** Expanding cane acreage through focused farmer engagement and sustainable cane development initiatives.
- **Enhancing cane productivity and recovery:** Strengthening cane development programmes to improve yield and recovery, thereby ensuring optimal capacity utilisation.
- **Maximising value realisation:** Enhancing product mix through refined sugar exports and deeper penetration into institutional and premium markets.
- **Value addition to by-products:** Optimising molasses utilisation through manufacture of country liquor, thereby improving realisations compared to levy sales.

## DIRECTORS' REPORT (continued)

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- **Operational excellence and energy efficiency:** Continuously improving process efficiencies and reducing energy consumption to strengthen cost competitiveness.
- **Building human capital:** Developing a skilled, diverse and high-performance workforce to support long-term growth.
- **Integrated and sustainable growth:** Strengthening backward and forward integration while embedding sustainability, innovation and new technologies across operations.

### Financial Ratios

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

Sl. No.	Ratio Description	Unit	2024-25	2025-26	Change %
1	Debtors turnover	No. of times	39.62	36.39	-8.15
2	Inventory turnover	No. of times	1.35	1.50	11.11
3	Interest coverage ratio	No. of times	3.27	4.15	26.91
4	Current ratio	No. of times	1.09	1.12	2.75
5	Debt equity ratio	No. of times	1.31	1.16	-11.45
6	Operating profit margin	%	8.39	9.01	7.38
7	Net profit margin	%	2.77	3.57	28.88
8	Return on Net worth	%	9.00	10.67	18.55

**Note:** The previous years ratios are based on restated accounts giving effect to the Scheme of Arrangement.

### 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.

Throughout the year, industrial relations remained positive. As on 31.03.2026, the total number of employees on the company's payroll was 843.

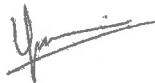
Corporate Social Responsibility is an integral part of our business policy. We undertake and support various activities in the communities where we operate to maximize the

benefit of our CSR initiatives. These programs align with Schedule VII of the Companies Act, 2013. In the fiscal year 2025-26, the Company spent Rs.79.53 lakh.

### **Environment protection**

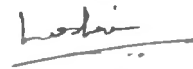
The Company is committed to our motto: "Green, breathe clean, stop polluting the environment, and save our planet." This aligns with the global call to address climate change. We prioritize environmental protection in all areas of our operations. Alongside installing state-of-the-art effluent treatment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

For and on behalf of the Board



(Uday Shriram)  
DIN: 11407307

**Dy. Managing Director**



(Madhav B. Shriram)  
DIN: 00203521

**Managing Director & CEO**

Place: New Delhi  
Date: 20<sup>th</sup> May, 2026

# INDEPENDENT AUDITOR’S REPORT

## TO THE MEMBERS OF DCM SHRIRAM INDUSTRIES LIMITED

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the financial statements of DCM Shriram Industries Limited (the “Company”) which comprise the balance sheet as at 31 March 2026, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“Act”) in the manner so required and in the context of the overriding effect of the provision in the Composite Scheme of Arrangement (“Scheme”) as approved by the National Company Law Tribunal (“NCLT”), regarding accounting of demerger of Chemicals and Rayons Business from the specified retrospective appointed date and consequential representation of comparatives 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 2026, 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 Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

#### Emphasis of Matter

We draw attention to Note 52 to the financial statements regarding the Scheme between DCM Shriram Industries Limited, DCM Shriram Fine Chemicals Limited and DCM Shriram International Limited for demerger of Chemical and Rayon business of DCM Shriram Industries Limited respectively, and amalgamation of Lily Commercial Private Limited with DCM Shriram Industries Limited which has been described in the aforesaid note. The Scheme has been approved by the National Company Law Tribunal (“NCLT”) vide its order dated 21 November 2025 with appointed date of 1 April 2023 and an approval of the Registrar of Companies (RoC) has been received on 31 December 2025. The Company has given effect to the Scheme from the retrospective appointed date specified therein i.e. 1 April 2023 which overrides the relevant requirement of applicable GAAP (according to which the demerger should have been accounted from 21 November 2025). The demerger has resulted in transfer of certain assets and liabilities with effect from the appointed date, the details of which are disclosed in the aforesaid note.

Our opinion is not modified in respect of this matter.

#### Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the 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 2026 [see notes 16, 28 and 49 to 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	We performed the following procedures in this regard: <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</li></ul>

<p>or considers it to be a possible contingent liability in accordance with the applicable Indian Accounting Standards.</p> <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 GST authorities are being contested, and have been assessed for creating provision/ disclosures in the 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>	<p>judgement of the likely outcome.</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 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>
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### 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 financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

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

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true

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

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and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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.
  - c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under specified under Section 133 of the Act read together with the overriding effect of the provision in the Scheme for Demerger of Chemical and Rayon business from DCM Shriram Industries Limited as approved by the NCLT and RoC.
  - e. On the basis of the written representations received from the directors as on 31 March 2026, 1 April 2026 and 10 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its financial statements - Refer Note 39 and 49 to the 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.
  - d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 57(v) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 57(vi) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or 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. As stated in Note 56 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend. Further, the Company did not declare or paid any interim dividend during the year.

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

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- 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.

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, where audit trail (edit log) facility was enabled and operated in the previous years, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

- 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

Place: New Delhi

Membership No.: 098297

Date: 20 May 2026

ICAI UDIN:26098297VKCTLK9318

## Annexure A to the Independent Auditor's Report on the Financial Statements of DCM Shriram Industries Limited for the year ended 31 March 2026

**(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 three years. In accordance with this programme, all 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 material 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 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 2026 (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	138.91	DCM Limited	No	Since 1991	Refer Note 48 of the 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, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided guarantee or security or granted loans or any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has made investment in other parties. The Company

## INDEPENDENT AUDITOR'S REPORT (Continued)

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has not made any investment in any companies, firms, limited liability partnerships during the year. Accordingly, clause 3(iii) (a) and (c) of the Order is not applicable.

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year are, prima facie, not prejudicial to the interest of the Company. Further, the Company has not provided guarantee or security or granted any loans or advances in the nature of loans during the year.
- (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. 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.
- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.
- (v) 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 generally been regularly deposited by the Company with the appropriate authorities, though there have been slight delays in a few cases of Income-Tax and Provident Fund.  
  
According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2026 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 Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs 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	Assessing officer	-
Central Excise Act, 1944	Excise Duty	120.12	April 2014 to May 2015	High Court, Allahabad	-
Central Excise Act, 1944	Excise Duty	236.16	July 2012 to March 2014	High Court, Allahabad	-
GST Act, 2017#	GST	11,238.36	April 2019 to March 2020	High Court, Allahabad	-
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
The United Provinces Excise Act, 1910	Export fees	880.69	1 April 2018 to 11 July 2025	High Court, Allahabad	-

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

# Refer note 49 of the 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 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) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2026. Accordingly, clause 3(ix)(e) is not applicable.
- (f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2026. Accordingly, clause 3(ix)(f) is not applicable.

## INDEPENDENT AUDITOR'S REPORT (Continued)

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- (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 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) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- (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 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

Place: New Delhi

Membership No.: 098297

Date: 20 May 2026

ICAI UDIN:26098297VKCTLK9318

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

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**Annexure B to the Independent Auditor's Report on the Financial Statements of DCM Shriram Industries Limited for the year ended 31 March 2026**

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

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

### **Opinion**

We have audited the internal financial controls with reference to financial statements of DCM Shriram Industries Limited ("the Company") as of 31 March 2026 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

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

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's Responsibility**

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

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

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

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

A company's internal financial controls with reference to financial statements is a process designed to provide

reasonable assurance regarding the reliability of financial reporting and the preparation of financial 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

Place: New Delhi

Membership No.: 098297

Date: 20 May 2026

ICAI UDIN:26098297VKCTLK9318

**DCM Shriram Industries Limited**  
**CIN: L74899DL1989PLC035140**  
**Balance Sheet as at March 31, 2026**

Particulars	Note	As at	As at
		March 31, 2026	March 31, 2025#
		(Rs. lakhs)	(Rs. lakhs)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	32,399.14	30,846.79
Capital work-in progress	3	107.22	33.41
Right-of-use assets	38	108.33	264.35
Intangible assets	4	6.98	8.38
Financial assets			
(i) Investments	5	-	-
(ii) Loans	6	1.56	16.16
(iii) Other financial assets	7	211.78	169.21
Income-tax assets (net)	8	1,362.78	1,285.92
Other non-current assets	9	3,505.25	6,934.45
<b>Total non-current assets</b>		<b>37,703.04</b>	<b>39,558.67</b>
<b>Current assets</b>			
Inventories	10	56,963.03	57,621.02
Financial assets			
(i) Investments	11	1,539.13	530.32
(ii) Trade receivables	12	3,669.92	2,706.93
(iii) Cash and cash equivalents	13	3,236.29	3,315.46
(iv) Bank balances other than (iii) above	14	197.00	531.96
(v) Loans	15	0.84	6.92
(vi) Other financial assets	16	37,953.31	35,345.95
Other current assets	17	637.47	1,089.53
<b>Total current assets</b>		<b>104,196.99</b>	<b>101,148.09</b>
<b>TOTAL ASSETS</b>		<b>141,900.03</b>	<b>140,706.76</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity share capital	18	1,739.84	1,739.84
Other equity	19	34,738.43	31,716.68
<b>Total equity</b>		<b>36,478.27</b>	<b>33,456.52</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	20	3,748.24	3,112.09
(ii) Lease liabilities	38	65.87	179.44
(iii) Other financial liabilities	21	3,525.97	6,940.84
Provisions	22	509.63	451.95
Deferred tax liabilities (net)	37	4,525.78	3,434.57
Other non-current liabilities	23	4.57	27.05
<b>Total non-current liabilities</b>		<b>12,380.06</b>	<b>14,145.94</b>
<b>Current liabilities</b>			
Financial liabilities			
(i) Borrowings	24	38,656.93	40,835.09
(ii) Lease liabilities	38	58.80	124.39
(iii) Trade payables	25	-	-
-Total outstanding dues of micro enterprises and small enterprises; and		808.61	875.20
-Total outstanding dues of creditors other than micro enterprises and small enterprises		13,198.37	13,063.58
(iv) Other financial liabilities	26	1,905.08	3,121.87
Other current liabilities	27	994.01	1,018.60
Provisions	28	37,419.90	34,065.58
<b>Total current liabilities</b>		<b>93,041.70</b>	<b>93,104.31</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>141,900.03</b>	<b>140,706.76</b>
<b>Material Accounting Policies</b>	2A		
The notes referred to above form an integral part of the financial statements.			
#Re-presented	2(e)(ii)		

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 20, 2026

For and on behalf of the Board of Directors **DCM Shriram Industries Limited**  
**S.B. Mathur**  
Chairman  
DIN: 00013239  
**Vineet Manaktala**  
Director Finance & CFO  
DIN: 09145644  
Place: New Delhi  
Date: May 20, 2026  
**Madhav B. Shriram**  
Managing Director & CEO  
DIN: 00203521  
**Y.D. Gupta**  
Sr. Vice President & Company  
Membership No: 3405

Particulars	Note	For the year ended	For the year ended
		March 31, 2026 (Rs. lakhs)	March 31, 2025# (Rs. lakhs)
Revenue from operations	29	116,011.53	107,970.61
Other income	30	431.62	1,184.90
<b>Total Income</b>		<b>116,443.15</b>	<b>109,155.51</b>
<b>Expenses</b>			
Cost of materials consumed	31	84,145.74	76,618.12
Changes in inventories of finished goods and work-in-progress	32	1,640.42	1,855.82
Employee benefits expense	33	6,550.83	6,700.61
Finance costs	34	2,430.57	2,767.56
Depreciation and amortisation expense	35	1,792.78	1,696.50
Other expenses	36	13,652.72	14,919.98
<b>Total expenses</b>		<b>110,213.06</b>	<b>104,558.59</b>
<b>Profit before tax</b>		<b>6,230.09</b>	<b>4,596.92</b>
<b>Tax expense</b>			
Current tax	37	1,727.98	1,247.26
Deferred tax	37	340.67	331.10
		<b>2,068.65</b>	<b>1,578.36</b>
<b>Profit for the year</b>		<b>4,161.44</b>	<b>3,018.56</b>
<b>Other comprehensive (expense)</b>			
<b>Items that will not be reclassified to profit or loss</b>			
Re-measurement (loss) on defined benefit obligation		(359.56)	(12.38)
Income tax pertaining to items that will not be reclassified to profit or loss		90.49	4.32
<b>Total other comprehensive (expense), net of taxes</b>		<b>(269.07)</b>	<b>(8.06)</b>
<b>Total comprehensive income for the year, net of taxes</b>		<b>3,892.37</b>	<b>3,010.50</b>
<b>Earnings per equity share of Rs. 2 each- basic/ diluted (Rs)</b>	40	<b>4.78</b>	<b>3.47</b>
<b>Material Accounting Policies</b>	2A		
The notes referred to above form an integral part of the financial statements.			
#Re-presented	2(e)(ii)		

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

**Adhlr Kapoor**  
Partner  
Membership No.: 098297  
Place: New Delhi  
Date: May 20, 2026

For and on behalf of the Board of Directors DCM Shriram Industries Limited  
**S.B. Mathur**  
Chairman  
DIN: 00013239  
**Vineet Manaktala**  
Director Finance & CFO  
DIN: 09145644  
Place: New Delhi  
Date: May 20, 2026

**Madhav B. Shriram**  
Managing Director & CEO  
DIN: 00203521  
**Y.D. Gupta**  
Sr. Vice President & Company  
Membership No: 3405

**DCM Shriram Industries Limited**  
**CIN: L74899DL1989PLC035140**  
**Statement of Changes in Equity for the year ended March 31, 2026**

**A. Equity share capital**

Particulars	Rs. lakhs
Balance as at April 1, 2024	1,739.84
Changes in equity share capital during the year	-
Balance as at March 31, 2025	1,739.84
Changes in equity share capital during the year	-
Balance as at March 31, 2026	1,739.84

**B. Other equity**

Particulars	Reserve and surplus							Total
	Amalgamation reserve	General reserve	Capital redemption reserve	Securities Premium	Capital reserve	Retained Earnings	Amalgamation adjustment deficit account	
Balance as at April 01, 2024	1,411.38	13,626.07	354.65	3,421.61	489.90	16,335.16	(6,353.79)	29,284.98
Profit for the year	-	-	-	-	-	3,018.55	-	3,018.55
Other comprehensive income for the year net of tax	-	-	-	-	-	(8.06)	-	(8.06)
	<b>1,411.38</b>	<b>13,626.07</b>	<b>354.65</b>	<b>3,421.61</b>	<b>489.90</b>	<b>19,345.65</b>	<b>(6,353.79)</b>	<b>32,295.47</b>
<b>Transactions with shareholders, recorded directly in equity</b>								
<b>Distribution to shareholders</b>								
Interim dividend on equity shares [Dividend per share Rs. 2/- per share of nominal value of Rs. 2/- each (March 31, 2024; Dividend per share Rs. 2/- per share of nominal value of Rs. 2/- each)]	-	-	-	-	-	(1,739.84)	-	(1,739.84)
<b>Allocation of dividend pursuant to scheme of arrangement*</b>								
- to DCM Shriram Fine Chemicals Limited	-	-	-	-	-	579.95	-	579.95
- to DCM Shriram International Limited	-	-	-	-	-	579.95	-	579.95
<b>Amalgamation adjustment pursuant to scheme of arrangement</b>								
Cancellation of dividend paid to Lily Commercial Private Limited#	-	-	-	-	-	871.77	-	871.77
Dividend paid by Lily to its shareholders^	-	-	-	-	-	(870.62)	-	(870.62)
	<b>1,411.38</b>	<b>13,626.07</b>	<b>354.65</b>	<b>3,421.61</b>	<b>489.90</b>	<b>18,786.86</b>	<b>(6,353.79)</b>	<b>31,716.68</b>
Balance as at March 31, 2025	1,411.38	13,626.07	354.65	3,421.61	489.90	18,786.86	(6,353.79)	31,716.68
Profit for the year	-	-	-	-	-	4,161.44	-	4,161.44
Other comprehensive income for the year net of tax	-	-	-	-	-	(269.07)	-	(269.07)
	<b>1,411.38</b>	<b>13,626.07</b>	<b>354.65</b>	<b>3,421.61</b>	<b>489.90</b>	<b>22,659.23</b>	<b>(6,353.79)</b>	<b>35,609.05</b>
Dividend paid by Lily to its shareholders^	-	-	-	-	-	(870.62)	-	(870.62)
Balance as at March 31, 2026	<b>1,411.38</b>	<b>13,626.07</b>	<b>354.65</b>	<b>3,421.61</b>	<b>489.90</b>	<b>21,788.61</b>	<b>(6,353.79)</b>	<b>34,738.43</b>

\* Pursuant to the Composite Scheme of Arrangement for demerger of the Chemicals and Rayon businesses of the Company into DCM Shriram Fine Chemicals Limited and DCM Shriram International Limited, respectively, and the amalgamation of Lily Commercial Private Limited ("Lily") with the Company, as approved by the Hon'ble National Company Law Tribunal ("NCLT") on 21 November 2025, the dividend declared by the Company for its shareholders has been allocated to the respective businesses based on the agreed ratio and has been adjusted accordingly.

# The dividend declared and paid by the Company to Lily (prior to the amalgamation), in its capacity as a shareholder of the Company, has subsequently been cancelled for the relevant period pursuant to the amalgamation.

^ The dividend paid by Lily to its shareholders has been reflected as a reduction in retained earnings, pursuant to the amalgamation under which the reserves of Lily have been subsumed into the Company.

**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 available for utilisation in accordance with the specific provisions of the Companies Act, 2013.

**e. Capital reserve**

Created on account of composite scheme of arrangement.

**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

**g. Amalgamation adjustment deficit account**

Amalgamation adjustment deficit account has been created on account of composite scheme of arrangement. (Refer note 52)

**Material Accounting Policies**

2A

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

As per our report of even date attached

For B S R & Co. LLP

Chartered Accountants

ICAI Firm Registration no.: 101248W/100022

Adhir Kapoor

Partner

Membership No.: 098297

Place: New Delhi

Date: May 20, 2026

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

S.B. Mathur

Chairman

DIN: 00013239

Vineet Manaktala

Director Finance & CFO

DIN: 09145644

Place: New Delhi

Date: May 20, 2026

Madhav B. Shriram

Managing Director & CEC

DIN: 00203521

Y.D. Gupta

Sr. Vice President & Company Secretary

Membership No: 3405

**DCM SHRIRAM INDUSTRIES LIMITED**

CIN: L74899DL1989PLC035140

**Statement of cash flow for the year ended March 31, 2026**

	For the Year ended March 31, 2026 Rs. Lakhs	For the Year ended March 31, 2025# Rs. Lakhs
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	6,230.09	4,596.92
<u>Adjustments for :</u>		
Depreciation and amortisation	1,792.78	1,696.50
Finance costs	2,430.57	2,767.56
Interest income	(51.25)	(66.90)
Interest income against subvention	(5.67)	(54.27)
Interest on income tax refund	(144.08)	(741.10)
Loss / (gain) on sale of property, plant and equipment / discarded assets (net)	5.94	(127.44)
Provisions/liabilities no longer required written back	-	(62.88)
Profit on sale of current investments	(22.04)	(35.98)
Net gain on fair value of investments	(35.86)	(17.08)
Operating profit before changes in assets and liabilities	10,200.48	7,955.33
<u>Changes in assets and liabilities</u>		
Increase / (decrease) in trade payables	68.17	(1,534.81)
(Decrease) / increase in financial liabilities	(3,922.78)	888.26
Increase in other liabilities and provisions	3,005.38	3,281.85
(Decrease) / increase in trade receivables	(962.99)	35.82
Decrease in inventories	657.99	909.33
(Increase) in financial assets	(2,522.95)	(3,105.00)
Decrease / (increase) in other assets	3,875.67	(1,046.83)
Cash generated from operations	10,398.97	7,384.15
Income tax (paid) / refund (net)	(819.72)	1,165.38
Net cash from operating activities ( A )	9,579.25	8,549.53
<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	(3,205.55)	(3,946.67)
Proceeds from sale of property, plant and equipments and intangible assets	48.25	215.16
Investments in mutual fund (net)	(2,974.85)	(1,349.93)
Proceeds from sale of current investments	2,023.95	1,904.64
Changes in bank deposit	(104.31)	25.87
Changes in other bank balances	334.96	2.29
Interest received	38.36	60.25
Net cash (used) in investing activities (B)	(3,839.19)	(3,088.39)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long term borrowings	1,817.28	2,567.86
Repayment of long term borrowings	(1,802.79)	(3,242.48)
(Repayment of) / proceeds from short term borrowings (net)	(1,565.57)	121.47
Repayment of lease liabilities	(119.38)	(155.22)
Finance costs paid (Net of subvention)	(2,429.42)	(2,707.84)
Dividend paid	(1,719.35)	(602.41)
Net cash (used in) in financing activities (C)	(5,819.23)	(4,018.62)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(79.17)	1,442.52
Cash and cash equivalents at the beginning of the year	3,315.46	1,872.94
Cash and cash equivalents at the end of the year	3,236.29	3,315.46
Components of cash and cash equivalents		
Balances with scheduled banks:		
- Current accounts	3,224.72	3,306.10
Cash in hand	11.57	9.36
Cash and cash equivalents at the end of the year	3,236.29	3,315.46

For reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, refer note 38  
# Re-presented, refer note 2(e)(ii)

**Material Accounting Policies**

2A

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

As per our report of even date attached

For **B S R & Co. LLP**  
Chartered Accountants  
ICAI Firm Registration No. :10248WW-100022  
**Adhir Kapoor**  
Partner  
Membership No.: 098297

Place : New Delhi  
Date: May 20, 2026

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

**S.B. Mathur**  
Chairman  
DIN: 00013239  
**Vineet Manaktala**  
Director Finance & Chief Financial Officer  
DIN: 09145644  
Place : New Delhi  
Date: May 20, 2026

**Madhav B. Shriram**  
Managing Director  
DIN: 00203521  
**Y.D. Gupta**  
Sr. Vice President & Company Secretary  
Membership No.: 3405

## **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 and power.

## **2 Basis of preparation of financial statements**

### **a) Statement of compliance**

These Financial Statements (“Financial Statements”) of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013, (the ‘Act’) and other relevant provisions of the Act, as applicable. The accounting policies are applied consistently in the financial statements.

These Financial Statements of the Company for the year ended March 31, 2026, are approved by the Company’s Audit Committee and by the Board of Directors on 20 May 2026.

### **b) Functional and presentation currency**

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

<b>Items</b>	<b>Measurement basis</b>
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.

**Judgments:**

Information about the judgements made in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is included in the following notes:

- Lease classification- Note 2A(n) - lease term: whether the Company is reasonably certain to exercise extension options

**Assumptions and estimation uncertainty :**

Information about assumptions and estimation uncertainties at the reporting date that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year is included below. The management believes that the estimates used in preparation of these financial statements are prudent and reasonable. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company.

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

- Recognition and estimation of tax expense including deferred tax- Note 2A(g) and 37.
- 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)
- 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)

**e) Basis of Preparation**

- i. These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

These financial statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value in accordance with Ind AS. The financial statements are presented in Indian Rupees (INR), which is also the functional currency of the Company, and all amounts are rounded off to the nearest lakhs unless otherwise stated.

- ii. During the year, the Company has given effect to the Composite Scheme of Arrangement between DCM Shriram Industries Limited ("the Company" or "DCMSR" or "Demerged Company"), DCM Shriram Fine Chemicals Limited (DSFCL) and DCM Shriram International Limited (DSIL) for the demerger of the Chemical and Rayon undertakings of DCMSR into DSFCL and DSIL respectively, and the amalgamation of Lily Commercial Private Limited ("Lily" or "the Transferor Company") with the Company.

The Scheme was approved by the Hon'ble National Company Law Tribunal (NCLT) vide its order dated November 21, 2025. The certified copy of the order was received on December 5, 2025 and filed with the Registrar of Companies by the respective companies between December 5, 2025 and December 17, 2025. Accordingly, the Scheme became effective on December 17, 2025 ("Effective Date") and has been given accounting effect from the appointed date of April 1, 2023 ("Appointed Date") in accordance with the provisions of the Scheme and applicable accounting standards.

Accordingly, the financial statements for the year ended March 31, 2026 include the impact of the Scheme from the Appointed Date. Comparative information, wherever applicable, has been represented after giving effect to the Scheme in accordance with the applicable Ind AS and the accounting treatment prescribed in the Scheme.

## **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 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 assets 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 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.

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 received as per the credit terms in the agreements with the customers. Where the credit period is short term, no financing component is considered. Job work is recognized upon full completion of the job work.

## **iii. Income from Renewable Energy Certificates (RECs)**

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

Use of significant judgements in revenue recognition:

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

## **f) Interest and dividend income**

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

## **g) Income tax**

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

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

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

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

- Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:
  - temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that effects neither accounting nor taxable profit or loss at the time of the transaction;
  - temporary differences related to freehold land and investments in subsidiaries, to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
  - taxable temporary differences arising on the initial recognition of goodwill.

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

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

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

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

### Minimum Alternative Tax (MAT) Credit

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

## **h) Employee benefits**

### **i) Short-term benefits**

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

### **ii) Defined contribution plans**

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

### **iii) Defined benefit plans**

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

#### Gratuity

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

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

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

Remeasurements, comprising actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or

credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

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

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

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

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

#### **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, the Company has identified its Board of Directors as the CODM.

The Company is primarily engaged in a single reportable business segment, namely "Sugar (including distillery)". Accordingly, based on the management approach prescribed under Ind AS 108, the Company operates in a single operating segment, and hence no separate segment disclosures are required.

The CODM reviews the operating results of the Company as a whole for the purpose of making decisions about resource allocation and performance assessment.

Since the Company operates in a single segment:

- There are no inter-segment revenues or transfers.
- There are no unallocable items requiring separate disclosure.
- All revenues, expenses, assets and liabilities relate to the single identified segment.

The accounting policies adopted for segment reporting are consistent with those used in the preparation of the financial statements of the Company. Also refer note 55.

#### **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 from contracts with customers.

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

#### **Subsequent measurement**

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

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

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

- a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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

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

### **Equity investments**

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

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

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

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

### **Impairment of financial assets**

The Company recognizes loss allowances for expected credit losses on:

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

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

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

At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVTOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

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

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

### **Financial liabilities**

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

Borrowings are subsequently measured at amortised cost. Any differences between the proceeds (net of transaction costs) and the redemption/repayment amount is recognised in profit and loss over the period of the borrowings using the effective interest rate method. Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of the financial year and which are unpaid.

### **Offsetting**

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

### **Derecognition**

#### *(i) Financial assets*

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

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

#### *(ii) Financial liabilities*

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

**r) Cash and cash equivalents**

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

**s) Research and development**

Expenditure on research 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) Business Combinations under Common Control**

The Company accounts for business combinations involving entities or businesses under common control in accordance with Ind AS 103, Business Combinations. Such combinations are those in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the transaction, and such control is not transitory.

These transactions are accounted for using the pooling of interests method. Under this method, the assets and liabilities of the acquired entities or businesses are recognised at their existing carrying amounts as appearing in the books of the transferor. No adjustments are made to reflect fair values, nor are any new assets or liabilities recognised. Adjustments, if any, are made only to align accounting policies with those of the Company.

The components of equity of the acquired entities or businesses are aggregated with the corresponding components of the Company's equity. Any difference between the consideration paid and the share capital of the transferor is recognised in other equity.

The shares issued by the Company as consideration are recognised from the date the acquired entities or businesses are included in the Company's financial statements. Further, the financial statements are represented retrospectively as if the business combination had occurred from the beginning of the earliest reporting period presented.

## **2B. Recent Accounting Pronouncements**

The Ministry of Corporate Affairs (MCA) amended the Companies (Indian Accounting Standards) Rules, 2015, through notifications dated:

a) Amendments effective for periods beginning on or after 1 April 2025:

- 7 May 2025, introducing changes to Ind AS 21 – The Effects of Changes in Foreign Exchange Rates, effective from 1 April 2025. These amendments provide guidance on assessing whether a currency is exchangeable into another currency and on estimating the spot exchange rate when a currency is not exchangeable.

- 13 August 2025, introducing changes to Ind AS including Ind AS 1- Presentation of Financial statements which requires guidance on classification of liabilities as Current or Non-Current and Non-Current Liabilities with Covenants, convertible debt as Current, etc, Ind AS 7- Statement of Cash Flows and Ind AS 107 – Financial Instruments: Disclosures – Supplier Finance Arrangements which provides guidance on additional disclosure requirements for Supplier Finance Arrangements, and Ind AS 112 - International Tax Reforms – Pillar Two Model Rules. These amendments provides guidance on accounting for top-up tax, mandatory relief of pillar two taxes from deferred tax accounting and additional disclosures requirements.

The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in its financial statements.

b) Amendment issued but not effective - The Ministry of Corporate Affairs (MCA) amended the Companies (Indian Accounting Standards) Rules, 2015, through the below notifications applicable from periods beginning on or after 01 April 2026:

- 13 August 2025, introducing changes to Ind AS 1 Presentation of Financial statements introduces an amendment related to Breach of covenant which is applicable w.e.f. 1 April 2026. The Company is in the process of evaluating the impact of these amendments on the 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 01, 2024*</b>	491.66	0.35	156.83	1,576.56	31,704.89	492.80	825.95	27.31	35,276.35	229.39
Add: Additions during the year	-	-	-	-	3,988.49	180.11	21.45	8.28	4,198.33	-
Less: Disposals / Capitalised during the year	-	-	-	3.12	36.93	102.68	21.51	8.13	172.37	195.98
<b>Balance as at March 31, 2025</b>	491.66	0.35	156.83	1,573.44	35,656.45	570.23	825.89	27.46	39,302.31	33.41
Add: Additions during the year				8.05	3,203.91	49.87	27.27	1.75	3,290.85	3,226.02
Less: Disposals / Capitalised during the year				14.46	131.38	77.85	36.71	10.97	271.37	3,152.21
<b>Balance as at March 31, 2026</b>	491.66	0.35	156.83	1,567.03	38,728.98	542.25	816.45	18.24	42,321.79	107.22
<b>Accumulated depreciation</b>										
<b>Balance as at April 01, 2024</b>	-	-	1.09	379.45	6,138.41	157.18	354.46	16.00	7,046.58	-
Add: Depreciation expense during the year	-	-	-	49.11	1,238.21	65.31	170.62	4.21	1,527.46	-
Less: Disposals during the year	-	-	-	3.07	33.96	57.33	17.45	6.71	118.52	-
<b>Balance as at March 31, 2025</b>	-	-	1.09	425.49	7,342.66	165.16	507.63	13.50	8,455.52	-
Add: Depreciation expense during the year	-	-	0.27	44.95	1,402.19	66.30	165.07	5.46	1,684.24	-
Less: Disposals during the year	-	-	-	11.34	123.43	43.55	30.30	8.50	217.11	-
<b>Balance as at March 31, 2026</b>	-	-	1.36	459.10	8,621.42	187.91	642.40	10.46	9,922.65	-
<b>Net carrying value</b>										
<b>As at March 31, 2026</b>	491.66	0.35	155.47	1,107.93	30,107.56	354.34	174.05	7.78	32,399.14	107.22
<b>As at March 31, 2025</b>	491.66	0.35	155.74	1,147.95	28,313.80	405.07	318.26	13.96	30,846.79	33.41

\*Refer note 52 and 53

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, 2026</b>					
Projects in progress	107.22	-	-	-	107.22
Projects delayed	-	-	-	-	-
<b>Total</b>	<b>107.22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>107.22</b>
<b>As at March 31, 2025</b>					
Projects in progress	33.41	-	-	-	33.41
Projects delayed	-	-	-	-	-
<b>Total</b>	<b>33.41</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33.41</b>

**Notes:**

- 1) For contractual commitments with respect to Capital work-in-progress, refer note 39 (B).
- 2) For details on property, plant and equipment & capital work-in-progress mortgaged/charged against borrowings, refer note 51.
- 3) No borrowing cost was capitalised during the current or previous year.
- 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.
- 6) Refer note 48 for details of immovable properties which are not yet endorsed in the name of the Company.

**4. Intangible assets**

(Rs. Lakhs)

Particulars	Intangible Assets- Software
<b>Gross carrying amount</b>	
<b>Balance as at April 01, 2024*</b>	<b>98.90</b>
Add: Additions during the year	0.95
Less: Disposals during the year	-
<b>Balance as at March 31, 2025</b>	<b>99.85</b>
Add: Additions during the year	-
Less: Disposals during the year	-
<b>Balance as at March 31, 2026</b>	<b>99.85</b>
<b>Accumulated amortisation</b>	
<b>Balance as at April 01, 2024</b>	<b>65.69</b>
Add: Amortisation expense for the year	25.78
Less: Disposals during the year	-
<b>Balance as at March 31, 2025</b>	<b>91.47</b>
Add: Amortisation expense for the year	1.40
Less: Disposals during the year	-
<b>Balance as at March 31, 2026</b>	<b>92.87</b>
<b>Net carrying value</b>	
<b>As at March 31, 2026</b>	<b>6.98</b>
<b>As at March 31, 2025</b>	<b>8.38</b>

\*Refer note 52 and 53

Refer note 51 for information on asset charged as security by the Company.

**5. Investments- Non current**

	<b>As at March 31, 2026</b>	<b>As at March 31, 2025</b>
	<b>Rs. lakhs</b>	<b>Rs. lakhs</b>
<b>Investment in equity instruments</b>		
<b>Unquoted equity instruments at cost</b>		
Daurala Co-operative Development Union Limited		
2 equity shares of face value of Rs. 10 each, fully paid up @ (Rs. 20)*	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>
<b>Aggregate value of non-current unquoted investments</b>	<b>0.00</b>	<b>0.00</b>

\* The investment is valued at Rs.20

**6. Loans- Non current**

(unsecured, considered good unless otherwise stated)

	<b>As at March 31, 2026</b>	<b>As at March 31, 2025</b>
	<b>Rs. lakhs</b>	<b>Rs. lakhs</b>
Loans to employees	1.56	16.16
<b>Total</b>	<b>1.56</b>	<b>16.16</b>

Refer note 51 for information on assets charged as security by the Company.

**7. Other financial assets- Non current**

	<b>As at March 31, 2026</b>	<b>As at March 31, 2025</b>
	<b>Rs. lakhs</b>	<b>Rs. lakhs</b>
Security deposits (Unsecured, considered good)		
- Others	25.84	87.58
Bank deposits held as margin money or security against borrowings, guarantees and other commitments	185.94	81.63
<b>Total</b>	<b>211.78</b>	<b>169.21</b>

Refer note 51 for information on assets charged as security by the Company.

**8. Income tax assets (net)**

	<b>As at March 31, 2026</b>	<b>As at March 31, 2025</b>
	<b>Rs. lakhs</b>	<b>Rs. lakhs</b>
Advance income tax (net of provision)	1,362.78	1,285.92
<b>Total</b>	<b>1,362.78</b>	<b>1,285.92</b>

Refer note 51 for information on assets charged as security by the Company.

**9. Other non-current assets**

(unsecured, considered good unless otherwise stated)

	<b>As at March 31, 2026</b>	<b>As at March 31, 2025</b>
	<b>Rs. lakhs</b>	<b>Rs. lakhs</b>
<b>To parties other than related parties</b>		
Capital advances	21.90	27.49
<b>Advance other than capital advances</b>		
Balance with government authorities	2.07	4.11
Government dues paid and recoverable (Refer note 49)	3,480.85	6,898.37
Prepaid expenses	0.43	4.48
<b>Total</b>	<b>3,505.25</b>	<b>6,934.45</b>

Refer note 51 for information on assets charged as security by the Company.

**10. Inventories**  
*(Valued at lower of cost and net realisable value)*

	<b>As at March 31, 2026</b>	<b>As at March 31, 2025</b>
	<b>Rs. lakhs</b>	<b>Rs. lakhs</b>
Raw material	6,944.27	6,023.54
Work in progress	1,216.90	1,197.00
Finished goods*#	47,131.63	48,791.05
Stores and spares	1,670.23	1,608.53
<b>Total</b>	<b>56,963.03</b>	<b>57,621.02</b>

\* Includes finished goods in transit Nil (March 31, 2025: Rs. 96.54 lakhs)

# The write-down of inventories to net realisable value amounted to Rs. 7.41 lakhs (March 31, 2025: Rs. 93.36 lakhs)

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

Refer note 51 for information on assets charged as security by the Company.

**11. Investments- Current**

	<b>As at March 31, 2026</b>	<b>As at March 31, 2025</b>
	<b>Rs. lakhs</b>	<b>Rs. lakhs</b>
<b>Investment in mutual funds measured at fair value through profit and loss</b>		
<b>Unquoted investment*</b>		
28450.405 (March 31, 2025: 7,522.73) HDFC Liquid Fund – Growth Direct Plan Units of Rs. 1000 each	1,539.13	383.09
Nil (March 31, 2025: 38,351.85) ICICI Prudential Liquid Fund – Growth Direct Plan Units of Rs. 100 each	-	147.23
<b>Total</b>	<b>1,539.13</b>	<b>530.32</b>
Aggregate amount of unquoted investments	1,539.13	530.32

\*Refer note 52

**12. Trade receivables**

	<b>As at March 31, 2026</b>	<b>As at March 31, 2025</b>
	<b>Rs. lakhs</b>	<b>Rs. lakhs</b>
Unsecured, considered good#	3,669.92	2,706.93
Unsecured, considered credit impaired	-	-
<b>Total</b>	<b>3,669.92</b>	<b>2,706.93</b>

**Ageing of trade receivable as on March 31, 2026 is as under:**
**(Rs. Lakhs)**

Particulars	Not due <sup>^</sup>	Outstanding for following periods from due date of payment <sup>*</sup>					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
- Undisputed Trade Receivables-considered good	2,524.71	1,005.89	17.21	31.11	6.30	9.67	3,594.89
- 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	-	-	-	-	-	-	-
<b>Total</b>	<b>2,524.71</b>	<b>1,005.89</b>	<b>17.21</b>	<b>31.11</b>	<b>6.30</b>	<b>84.70</b>	<b>3,669.92</b>

**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 <sup>*</sup>					Total
		Less than 6 months	6 months -1 year	1-2 years	2-3 years	More than 3 years	
- Undisputed Trade Receivables-considered good	2,092.48	472.95	37.92	15.79	4.40	8.36	2,631.90
- 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	-	-	-	-	-	-	-
<b>Total</b>	<b>2,092.48</b>	<b>472.95</b>	<b>37.92</b>	<b>15.79</b>	<b>4.40</b>	<b>83.39</b>	<b>2,706.93</b>

<sup>^</sup> Includes unbilled revenue of Rs.98.29 lakhs (March 31, 2025: Rs.104.25 lakhs)

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

<sup>#</sup> Includes receivable from related parties Rs.325.08 lakhs (March 31, 2025: Rs. 273.25 lakhs), refer note 42.

The Company's exposure to credit and currency risks are disclosed in note 43.

Refer note 51 for information on assets charged as security by the Company.

**13. Cash and cash equivalents**

	As at March 31, 2026	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
Balances with banks		
- On current accounts	3,224.72	3,306.10
Cash on hand	11.57	9.36
<b>Total</b>	<b>3,236.29</b>	<b>3,315.46</b>

Refer note 51 for information on assets charged as security by the Company.

**14. Other bank balances**

	As at March 31, 2026	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
Deposits with original maturity of more than three months but upto twelve months	42.92	397.19
Earmarked balances with banks – unclaimed dividend accounts	154.08	134.77
<b>Total</b>	<b>197.00</b>	<b>531.96</b>

Refer note 51 for information on assets charged as security by the Company.

**15. Loans- Current**

*(unsecured, considered good unless otherwise stated)*

	As at March 31, 2026	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
<b>To parties other than related parties</b>		
Loans to employees	0.84	6.92
<b>Total</b>	<b>0.84</b>	<b>6.92</b>

Refer note 51 for information on assets charged as security by the Company.

**16. Other financial assets- Current**

*(unsecured, considered good unless otherwise stated)*

	As at March 31, 2026	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
<b>To related parties (Refer note 42)</b>		
Other receivables	-	833.19
<b>To parties other than related parties</b>		
Security deposits	21.00	32.00
Deposits with original maturity of more than twelve months - earmarked deposits held as margin money or security against borrowings, guarantees and other commitments	186.32	99.43
Claims receivable	80.02	90.32
Reimbursement assets (refer note 49)	37,110.69	33,843.88
Other receivables	555.28	447.13
<b>Total</b>	<b>37,953.31</b>	<b>35,345.95</b>

Refer note 51 for information on assets charged as security by the Company.

**17. Other current assets**

*(unsecured, considered good unless otherwise stated)*

	As at March 31, 2026	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
<b>To parties other than related parties</b>		
Advances to contractors	98.08	197.00
<b>Other advances</b>		
Advance to employees	11.59	21.58
Balance with government authorities	264.88	228.11
Prepaid expenses	186.72	195.31
Net defined benefit asset- Gratuity	-	397.77
Others	76.20	49.76
<b>Total</b>	<b>637.47</b>	<b>1,089.53</b>

Refer note 51 for information on assets charged as security by the Company.

**DCM Shriram Industries Limited**  
**CIN: L74899DL1989PLC035140**  
**Notes to the Financial Statements for the year ended March 31, 2026 (continued)**

**18. Equity share capital**

	As at March 31, 2026	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
<b>a) Authorised</b>	<b>6,500.00</b>	<b>6,500.00</b>
325,000,000 equity shares of Rs. 2 each (March 31, 2025: 325,000,000 equity shares of Rs. 2 each)		
<b>b) Issued, subscribed and fully paid-up</b>	<b>1,739.84</b>	<b>1,739.84</b>
86,992,185 equity of Rs. 2 each fully paid up (March 31, 2025: 86,992,185 equity of Rs. 2 each fully paid up)		
<b>Total</b>	<b>1,739.84</b>	<b>1,739.84</b>

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

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount Rs. lakhs	Number of shares	Amount Rs. lakhs
<b>Equity shares*</b>				
At the commencement of the year	86,992,185	1,739.84	86,992,185	1,739.84
Add/(Less): Change during the year	-	-	-	-
<b>At the end of the year</b>	<b>86,992,185</b>	<b>1,739.84</b>	<b>86,992,185</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, 2026		As at March 31, 2025	
	Number of shares @ Rs 2 each	% of holding	Number of shares @ Rs. 2 each	% of holding
Lily Commercial Private Limited#	-	-	43,588,680	50.11%
Alok Bansidhar Shriram- Karta Lala Bansidhar & Sons (HUF)	12,028,267	13.83%	-	0.00%
Mrs. Urvashi Tilakdhar	8,942,642	10.28%	-	0.00%
Mr. Alok B Shriram	8,942,540	10.28%	-	0.00%

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

S. No.	Promoter Name	As at March 31, 2026			As at March 31, 2025		
		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	Alok Bansidhar Shriram- Karta Lala Bansidhar & Sons (HUF)	12,028,267	13.83%	100.00%	-	0.00%	0%
2	Mr. Alok B Shriram	8,942,540	10.28%	100.00%	-	0.00%	0%
3	Mrs. Suman Bansidhar	1,757,180	2.02%	100.00%	-	0.00%	0%
4	Mrs. Urvashi Tilakdhar	8,942,642	10.28%	100.00%	-	0.00%	0%
5	Mr. Akshay Dhar	500	0.00%	100.00%	500	0.00%	0%
6	Ms. Aditi Dhar	-	0.00%	100.00%	500	0.00%	0%
7	Mr. Madhav Bansidhar Shriram	4,299,224	4.94%	100.00%	-	0.00%	0%
8	Mrs. Divya Shriram	3,847,854	4.19%	100.00%	435	0.00%	0%
9	Mr. Uday Shriram	961,628	1.11%	100.00%	-	0.00%	0%
10	Mr. Rohan Shriram	33,593	0.04%	100.00%	-	0.00%	0%
11	Akshay Foundation	2,976,389	3.42%	100.00%	-	0.00%	0%
12	Mr. Sushil Kumar Jain	1,318	0.00%	100.00%	-	0.00%	0%
13	Lily Commercial Private Limited#	-	0.00%	-100.00%	43,588,680	50.11%	0%
	<b>Total</b>	<b>43,590,115</b>	<b>50.11%</b>	<b>0.00%</b>	<b>43,590,115</b>	<b>50.11%</b>	<b>0%</b>

\*Refer note 52 & 54

# Stands dissolved post approval of composite scheme of arrangement (Refer note 52)

**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. (Refer note 54)

**19. Other equity**

	As at March 31, 2026	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
<b>a. Amalgamation reserve</b>		
Balance as at the beginning and at the end of the year	1,411.38	1,411.38
<b>b. General reserve</b>		
Balance as at the beginning and at the end of the year	13,626.07	13,626.07
<b>c. Capital redemption reserve</b>		
Balance as at the beginning and at the end of the year	354.65	354.65
<b>d. Securities Premium</b>		
Balance as at the beginning and at the end of the year	3,421.61	3,421.61
<b>e. Capital Reserve</b>		
Balance as at the beginning and at the end of the year	489.90	489.90
<b>f. Amalgamation adjustment deficit account</b>		
Balance as at the beginning and at the end of the year	(6,353.79)	(6,353.79)
<b>g. Retained earnings</b>		
Balance as at the beginning of the year	18,766.87	16,335.16
Add: Profit for the year	4,161.44	3,018.55
<b>Items of other comprehensive income recognised directly in retained earnings</b>		
Remeasurement of employee benefit obligation, net of tax*	(269.07)	(6.06)
<b>Less: Appropriations</b>		
Interim dividend on equity shares [Dividend per share Rs. 2/- per share of nominal value of Rs. 2/- each]	-	(1,739.84)
<b>Allocation of dividend pursuant to scheme of arrangement</b>		
- to DCM Shriram Fine Chemicals Limited	-	578.95
- to DCM Shriram International Limited	-	578.95
<b>Amalgamation adjustment pursuant to scheme of arrangement</b>		
Cancellation of dividend paid to Lily Commercial Private Limited#	-	871.77
Dividend paid by Lily to its shareholders <sup>a</sup>	-	(870.62)
<b>Transactions with shareholders, recorded directly in equity<sup>#</sup></b>		
Dividend paid by Lily to its shareholders <sup>a</sup>	(870.62)	-
<b>Balance at the end of the year</b>	<b>(870.62)</b>	<b>-</b>
<b>Total</b>	<b>21,768.61</b>	<b>18,766.87</b>
<b>Total</b>	<b>34,738.43</b>	<b>31,716.68</b>

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

#Refer note 42, 52, 53 and 54

**20. Borrowings- Non current**

	As at March 31, 2026 Rs. lakhs	As at March 31, 2025 Rs. lakhs
<b>From related parties (refer note 42)</b>		
<b>Unsecured loans</b>		
Public deposits	371.55	402.99
<b>From parties other than related parties</b>		
<b>Secured loans</b>		
Term loans from banks	4,400.14	4,299.15
<b>Unsecured loans</b>		
Public deposits	365.80	411.80
	5,137.49	5,113.94
Less: Current maturities of long term borrowings	1,389.25	2,001.85
<b>Total</b>	<b>3,748.24</b>	<b>3,112.09</b>
<b>Details of current maturities of long term borrowings:</b>		
<b>Secured loans</b>		
Term loans from banks	1,125.00	1,678.83
<b>Unsecured loans</b>		
Public deposits	264.25	323.02
	1,389.25	2,001.85

**A. SECURED**

**I. From Banks**

- i. Nil (March 31,2025: Rs.479.86 Lakhs) carrying interest linked to lender's 1 year MCLR and spread thereon, was secured by first pari-passu charge on all the immovable and movable properties of the Company excluding assets on exclusive charges.
- ii. Nil (March 31,2025: Rs.531.43 lakhs) carrying interest of 8% p.a. repayable in 6 monthly installments, was secured by first pari-passu charge by way of mortgage/hypothecation on all the Fixed Assets (Property, plant and equipment) of the Company, excluding assets on exclusive
- iii. Rs.1,817.28 lakhs (March 31,2025: Nil) carrying interest linked to RBI Repo Rate and spread thereon, repayable in 20 quarterly instalments, is secured by first pari-passu charge on fixed assets (Property, plant and equipment) of the Company.
- iv. Rs.540.00 lakhs (March 31,2025: Rs.720.00 lakhs) carrying interest linked to lender's 1 year MCLR and spread thereon, repayable in 12 quarterly instalments, is secured by first pari-passu charge on fixed assets of the Company.
- v. Rs.2,042.86 lakhs (March 31,2025: Rs.2,567.86 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 the Company.

**B. Unsecured**

- i. Rs.737.35 lakhs (March 31,2025: Rs.814.79 lakhs), Deposits from public, carries interest (payable as per deposit terms) 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.

D. Pursuant to the Composite Scheme of Arrangement, all loans and bank facilities relating to the demerged businesses have vested in and have been assumed by DCM Shriram Fine Chemicals Limited and DCM Shriram International Limited, respectively, with effect from 1 April 2023, being the appointed date under the Scheme.

The Company is in the process of completing the necessary novation of the relevant loan and security documents and updating its name therein. Pending completion of the requisite filings and formalities, the related charges continue to remain registered with the Registrar of Companies in the name of the Company

**21. Other financial liabilities- Non current**

	As at March 31, 2026 Rs. lakhs	As at March 31, 2025 Rs. lakhs
<b>From parties other than related parties</b>		
Deposits from contractors and others	0.97	0.97
Other payables	40.50	37.85
Due to Customer (refer note 49)	3,484.50	6,902.02
<b>Total</b>	<b>3,525.97</b>	<b>6,940.84</b>

**22. Provisions- Non current**

	As at March 31, 2026	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
Provision for employee benefits (refer note 41 and 42)		
- Gratuity	29.43	-
- Compensated absences	380.20	351.95
Provision for contingencies*	100.00	100.00
<b>Total</b>	<b>509.63</b>	<b>451.95</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.

**23. Other non-current liabilities**

	As at March 31, 2026	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
Other payables	4.57	27.05
<b>Total</b>	<b>4.57</b>	<b>27.05</b>

**24. Borrowings- Current**

	As at March 31, 2026	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
<b>Secured loans#</b>		
From banks - loans repayable on demand*	37,267.68	38,833.24
Current maturities of long term borrowings (refer note 20)	1,389.25	2,001.85
<b>Total</b>	<b>38,656.93</b>	<b>40,835.09</b>

\* Secured by first pari-passu charge against the company current and non-current assets (except company's property, plant and equipment), both present and future. Some of these are further secured by way of second pari-passu charge on the company's property, plant and equipment. These carry interest rate ranging from 6.70% to 9.50% p.a. (March 31, 2025: 7.25% to 9.50% p.a.) Also refer note 51.

# Current borrowings are either payable in instalments within a year or repayable on demand

**25. Trade payables**

	As at March 31, 2026	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
Total outstanding dues of micro enterprises and small enterprises*	808.61	875.20
Total outstanding dues other than micro enterprises and small enterprises#	13,198.37	13,063.58
<b>Total</b>	<b>14,006.98</b>	<b>13,938.78</b>

Ageing of trade payable as on March 31, 2026 is as under :

Particulars	Not due <sup>^</sup>	Outstanding for following periods from due date of payment**				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
- MSME	629.30	179.31	-	-	-	808.61
- Others	6,539.48	6,648.92	9.84	0.13	-	13,198.37
- Disputed dues – MSME	-	-	-	-	-	-
- Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>7,168.78</b>	<b>6,828.23</b>	<b>9.84</b>	<b>0.13</b>	<b>-</b>	<b>14,006.98</b>

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

Particulars	Not due <sup>^</sup>	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	652.15	222.90	-	-	0.15	875.20
- Others	392.21	12,671.24	0.13	-	-	13,063.58
- Disputed dues – MSME	-	-	-	-	-	-
- Disputed dues - Others	-	-	-	-	-	-
<b>Total</b>	<b>1,044.36</b>	<b>12,894.14</b>	<b>0.13</b>	<b>-</b>	<b>0.15</b>	<b>13,938.78</b>

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

\* Refer note 46 for Micro and Small Enterprises.

# Includes payable to related parties Rs.82.76 lakhs (March 31, 2025: Rs. 170.21 lakhs), refer note 42.

<sup>^</sup> Includes unbilled dues.

**Notes:**

a) The Company's exposure to currency and liquidity risks related to trade payables is disclosed in Note 43.

**26. Other financial liabilities- Current**

	As at March 31, 2026 Rs. lakhs	As at March 31, 2025 Rs. lakhs
<b>From related parties</b>		
Employees related payable	196.70	1,134.18
Others	150.48	-
<b>From parties other than related parties</b>		
Dividend payable	-	868.04
Creditors for capital purchases	224.23	70.80
Unclaimed dividends*	154.08	134.77
Unclaimed deposit and interest accrued thereon	20.93	34.50
Other payables		
Deposits from contractors and others	898.56	602.48
Employees related payable	260.10	277.10
<b>Total</b>	<b>1,905.08</b>	<b>3,121.87</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 March 31, 2026 Rs. lakhs	As at March 31, 2025 Rs. lakhs
Advances from customers	303.14	109.81
Statutory dues payable	641.35	859.27
Other liabilities	49.52	49.52
<b>Total</b>	<b>994.01</b>	<b>1,018.60</b>

**28. Provision- Current**

	As at March 31, 2026 Rs. lakhs	As at March 31, 2025 Rs. lakhs
Provision for employee benefits (refer note 41 and 42)		
- Compensated absences	309.21	221.70
Provision for contingencies (Refer note 49)	37,110.69	33,843.88
<b>Total</b>	<b>37,419.90</b>	<b>34,065.58</b>

\*During the year, the Company has recognised a provision for contingencies of Rs. 3,266.81 lakhs (FY 2024-25: Rs. 3,263.46 lakhs). Consequently, the provision for contingencies of Rs. 33,843.88 lakhs as at March 31, 2025 (Rs. 30,580.42 lakhs as at March 31, 2024) has increased to Rs. 37,110.69 lakhs as on March 31, 2026.

**29. Revenue from operations**

	For the year ended March 31, 2026	For the year ended March 31, 2025
	Rs. lakhs	Rs. lakhs
<b>Sale of products</b>		
Export	29.10	-
Domestic (Refer note 42)	114,994.01	106,620.89
<b>Sale of services</b>		
Processing charges	278.44	363.14
	<u>115,301.55</u>	<u>106,984.03</u>
<b>Other operating revenue</b>		
Sale of scrap	405.55	642.31
Other operating income	304.43	344.27
<b>Total</b>	<u>116,011.53</u>	<u>107,970.61</u>
<b>Contract balances</b>	As at March 31, 2026	As at March 31, 2025
	Rs. lakhs	Rs. lakhs
<b>Trade receivables (Refer note 12)</b>	3,669.92	2,706.93
<b>Contract liabilities</b>		
Advances from customers (Refer note 27)	303.14	109.81
<b>Reconciliation of revenue recognised with the contracted price is as follows:</b>	For the year ended March 31, 2026	For the year ended March 31, 2025
	Rs. lakhs	Rs. lakhs
Contracted price	115,708.52	107,425.69
Less: Discounts	406.97	441.66
	<u>115,301.55</u>	<u>106,984.03</u>

The amount of Rs. 63.69 lakhs included in contract liabilities at March 31, 2025 has been recognised as revenue during the year ended March 31, 2026 (March 31, 2025: Rs. 201.22 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 45 days.

**30. Other income**

	For the year ended March 31, 2026	For the year ended March 31, 2025
	Rs. lakhs	Rs. lakhs
<b>Interest income from financial assets measured at amortised cost</b>		
From deposits with banks	38.36	60.25
Unwinding of discount on security deposits	12.89	6.50
Interest subsidy (Refer note 47)	5.67	54.27
<b>Other non-operating income</b>		
Interest on income tax refund	144.08	741.10
Provisions/liabilities no longer required, written back	-	62.88
Rental income	11.85	9.32
Profit on sale of property, plant and equipment (net)	-	127.44
Profit on sale of current investments	22.04	35.98
Net change in fair value of financial assets measured at fair value through profit or loss	35.86	17.08
Shared service income (Refer note 42)	129.59	-
Miscellaneous income	31.28	70.08
<b>Total</b>	<u>431.62</u>	<u>1,184.90</u>

**31. Cost of materials consumed**

	For the year ended March 31, 2026	For the year ended March 31, 2025
	Rs. lakhs	Rs. lakhs
Raw materials at the beginning of the year	6,023.54	3,243.34
Add: Purchases	85,066.47	79,398.32
	<u>91,090.01</u>	<u>82,641.66</u>
Less: Raw materials at the end of the year	6,944.27	6,023.54
<b>Total</b>	<b><u>84,145.74</u></b>	<b><u>76,618.12</u></b>
<b>Particulars of materials consumed are as under:</b>		
Sugar cane (including bagasse)	82,820.90	75,525.01
Others	1,324.84	1,093.11
<b>Total</b>	<b><u>84,145.74</u></b>	<b><u>76,618.12</u></b>

**32. Changes in inventories of finished goods and work-in-progress**

	For the year ended March 31, 2026	For the year ended March 31, 2025
	Rs. lakhs	Rs. lakhs
<b>Opening stock</b>		
Finished goods	48,791.05	50,740.02
Work-in-progress	1,197.90	1,104.75
<b>Total</b>	<b><u>49,988.95</u></b>	<b><u>51,844.77</u></b>

<b>Closing stock</b>		
Finished goods	47,131.63	48,791.05
Work-in-progress	1,216.90	1,197.90
<b>Total</b>	<b><u>48,348.53</u></b>	<b><u>49,988.95</u></b>
	<b><u>1,640.42</u></b>	<b><u>1,855.82</u></b>

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

	For the year ended March 31, 2026	For the year ended March 31, 2025
	Rs. lakhs	Rs. lakhs
Finished goods	1,659.42	1,948.97
Work-in-progress	(19.00)	(93.15)
	<u>1,640.42</u>	<u>1,855.82</u>

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

<b>Finished goods</b>		
Sugar	46,242.35	48,012.64
Alcohol	889.28	778.41
<b>Total</b>	<b><u>47,131.63</u></b>	<b><u>48,791.05</u></b>

<b>Work-in-progress</b>		
Sugar	1,199.25	1,174.76
Alcohol	17.65	23.14
<b>Total</b>	<b><u>1,216.90</u></b>	<b><u>1,197.90</u></b>

**33. Employee benefits expense**

	For the year ended March 31, 2026	For the year ended March 31, 2025
	Rs. lakhs	Rs. lakhs
Salaries, wages and bonus #^	5,838.26	5,763.44
Contribution to provident and other funds**^	594.33	799.87
Staff welfare expenses	118.24	137.30
<b>Total</b>	<b><u>6,550.83</u></b>	<b><u>6,700.61</u></b>

# Includes payment to contractual labour

^ Refer note 42 for related party transactions

\* Refer note 41

**34. Finance costs**

	For the year ended March 31, 2026	For the year ended March 31, 2025
	Rs. lakhs	Rs. lakhs
Interest expense <sup>^</sup> # (Refer note 47)	2,381.85	2,725.67
Other borrowing costs	48.72	41.89
<b>Total</b>	<b>2,430.57</b>	<b>2,767.56</b>

# Includes Rs. 19.57 lakhs as interest on lease liabilities (March 31, 2025: Rs. 33.43 lakhs)

<sup>^</sup> Refer note 42 for related party transactions

**35. Depreciation and amortisation expense**

	For the year ended March 31, 2026	For the year ended March 31, 2025
	Rs. lakhs	Rs. lakhs
Depreciation on property, plant and equipment (Refer note 3)	1,684.24	1,527.46
Amortisation on intangible assets (Refer note 4)	1.40	25.78
Amortisation on right-of-use assets (Refer note 38)	107.14	143.26
<b>Total</b>	<b>1,792.78</b>	<b>1,696.50</b>

**36. Other expenses**

	For the year ended March 31, 2026	For the year ended March 31, 2025
	Rs. lakhs	Rs. lakhs
Consumption of stores and spares (Refer note 42)	5,687.50	5,843.30
Power and fuel	511.33	2,320.88
Repair and maintenance		
- Buildings	252.80	175.48
- Plant and machinery	1,041.87	1,306.92
Rent (Refer note 42)	99.85	30.36
Insurance	211.82	151.91
Rates and taxes	557.73	685.34
Freight and transport	639.11	718.26
Commission to selling agents	481.21	426.45
Loss on sale of property, plant and equipment (net)	5.94	-
Donation	1.00	-
Corporate social responsibility	79.53	64.48
Fulfillment and other operating expenses	1,906.20	1,248.89
Professional expenses*#	640.08	461.30
Miscellaneous expenses	1,536.75	1,486.41
<b>Total</b>	<b>13,652.72</b>	<b>14,919.98</b>
*Payment to auditors	81.00	60.50
- Statutory audit fee <sup>^</sup>	18.33	37.50
- Limited review fee <sup>^</sup>	0.33	1.00
- Certification of statements	4.38	6.63
- Out-of-pocket expenses	104.04	105.63

<sup>^</sup>Includes fee for additional work in relation to demerger

#As disclosed in Note 52, pursuant to the Composite Scheme of Arrangement, the proportionate share of expenses relating to statutory auditors attributable to the said businesses, amount aggregating to year ended March 31, 2026 of Rs.27.50 Lakhs (March 31, 2025: Rs.69.77 lakhs). Accordingly, the share of expenses pertaining to the Company have been included above.

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

a) Amount approved by Board of Directors required to be spent by the Company during the year	<b>86.38</b>	228.96
b) Amount spent during the year (in cash)		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above*	<b>87.20</b>	236.63
c) Amount unspent	-	-
	<b>For the year ended</b>	<b>For the year ended</b>
d) Nature of CSR activities	<b>March 31, 2026</b>	<b>March 31, 2025</b>
	<b>Rs. lakhs</b>	<b>Rs. lakhs</b>
(i) Promoting health care including preventive health and	<b>25.42</b>	48.56
(ii) Promoting education, including special education and	<b>9.42</b>	61.55
(iii) Empowering women and support to senior citizen	<b>1.19</b>	47.79
(iv) Environmental sustainability and conservation of natural resources and maintaining quality of soil, air and water	-	19.27
(v) Promotion and development of traditional arts and handicrafts	<b>40.00</b>	41.00
(vi) Training to promote rural sports		7.60
(vii) Contribution to Prime Minister's National Relief Fund and PM-CARES Fund		2.80
(viii) Amount spent in administrative overhead	<b>3.50</b>	8.06
(ix) Excess amount spent carried forward	<b>7.67</b>	-
	<b>87.20</b>	<b>236.63</b>

\*As disclosed in Note 52, pursuant to the Scheme, share of CSR expenses for the year ended March 31, 2025 of Rs. 66.46 lakhs and Rs.105.69 lakhs have been transferred to DCM Shriram International Limited and DCM Shriram Fine Chemicals Limited respectively.

**DCM Shriram Industries Limited**

**CIN: L74899DL1989PLC035140**

**Notes to the Financial Statements for the year ended March 31, 2026 (continued)**

**37. Income tax expense**

**A. Amounts recognised in statement of profit and loss**

	For the year ended March 31, 2026	(Rs. Lakhs) For the year ended March 31, 2025
The major components of income tax expense for the years ended March 31, 2026 and March 31, 2025 are:		
Current tax expense	1,866.60	1,247.28
Tax relating to earlier years	<u>(138.62)</u>	-
Deferred tax charge	1,727.98	1,247.28
<b>Income tax expense reported in the statement of profit and loss</b>	<b>340.87</b>	<b>331.10</b>
	<u>2,068.64</u>	<u>1,578.36</u>

**B. Amounts recognised in other comprehensive Income**

	For the year ended March 31, 2026	(Rs. Lakhs) For the year ended March 31, 2025
The major components of income tax expense for the year ended March 31, 2026 and March 31, 2025 are:		
Income tax		
Remeasurement of post employment benefit obligation	90.49	4.32
<b>Income tax charges to other comprehensive Income/(expense)</b>	<b>90.49</b>	<b>4.32</b>

**C. Reconciliation of effective tax rate\***

	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Rate	Amount	Rate	Amount
Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for the year ended March 31, 2026 and March 31, 2025:				
<b>Profit before tax from continuing operations, including OCI</b>	<b>34.94%</b>	<b>5,870.54</b>	<b>34.94%</b>	<b>4,584.54</b>
Tax using the Company's domestic tax rate		2,051.40		1,602.02
Tax effect of:				
Tax relating to earlier years	-2.36%	(138.62)	0.00%	-
Non-deductible expenses	0.48%	28.14	0.49%	22.53
Impact on Deferred Tax due to change in tax rate for future years	0.74%	43.52	-1.24%	(56.76)
Others	-0.11%	(6.28)	0.14%	6.25
<b>Effective tax rate</b>	<b>33.70%</b>	<b>1,978.15</b>	<b>34.33%</b>	<b>1,574.00</b>

\* The Company continues to pay income tax under the old tax regime and has not opted for lower tax rate pursuant to Taxation Law (Amendment) Ordinance, 2019 (Section 115BAA of The Income Tax Act, 1961) considering the accumulated MAT credit and other benefits under The Income Tax Act, 1961. The Company plans to opt for lower tax regime from the next financial year. Accordingly, deferred tax has been remeasured.

**D. Deferred tax assets/ liabilities**

Particulars	(Rs. Lakhs)					
	Deferred tax assets		Deferred tax liabilities		Net deferred tax assets/ (liabilities)	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Accrued expense deductible on payment	46.42	64.46	-	-	46.42	64.46
Provision for gratuity, compensated absences and other employee benefits	180.92	61.46	-	-	180.92	61.46
Difference in book written down value and tax written down value of property, plant and equipment/ intangible assets	-	-	4,889.42	4,623.92	(4,889.42)	(4,623.92)
Right of use assets	-	-	27.26	92.38	(27.26)	(92.38)
Lease liability	31.38	106.17	-	-	31.38	106.17
Other timing differences	74.06	145.98	9.03	4.53	65.03	141.45
	<u>332.78</u>	<u>378.07</u>	<u>4,925.71</u>	<u>4,720.83</u>	<u>(4,592.93)</u>	<u>(4,342.76)</u>
MAT credit entitlement **	-	-	-	-	67.15	908.19
<b>Net Deferred tax liabilities</b>	<b>332.78</b>	<b>378.07</b>	<b>4,925.71</b>	<b>4,720.83</b>	<b>(4,525.78)</b>	<b>(3,434.57)</b>

**E. Movement of temporary differences**

For the year ended March 31, 2026

(Rs. Lakhs)

Particulars	Opening Balance	Recognised in statement of Profit & Loss	Recognised in other comprehensive income	Closing Balance
<b>Deferred Tax Assets</b>				
Accrued expense deductible on payment	64.46	(18.04)	-	46.42
Provision for gratuity and compensated absences	61.46	28.97	90.49	180.92
Lease liability	106.17	(74.79)	-	31.38
Other timing differences	145.98	(71.92)	-	74.06
	<b>A</b>	<b>(135.78)</b>	<b>90.49</b>	<b>332.78</b>
<b>Deferred Tax Liabilities</b>				
Difference in book written down value and tax written down value of property, plant and equipment	(4,623.92)	(265.50)	-	(4,889.42)
Right of use assets	(92.38)	65.12	-	(27.26)
Other timing differences	(4.53)	(4.50)	-	(9.03)
	<b>B</b>	<b>(204.88)</b>	<b>-</b>	<b>(4,925.71)</b>
<b>Net deferred tax</b>	<b>(4,342.76)</b>	<b>(340.66)</b>	<b>90.49</b>	<b>(4,592.93)</b>

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 expense deductible on payment	62.18	2.28	-	64.46
Provision for gratuity and compensated absences	-	57.14	4.32	61.46
Lease liability	152.22	(46.05)	-	106.17
Other timing differences	282.73	(136.75)	-	145.98
	<b>A</b>	<b>(123.38)</b>	<b>4.32</b>	<b>378.07</b>
<b>Deferred Tax Liabilities</b>				
Difference in book written down value and tax written down value of property, plant and equipment	(4,371.78)	(252.14)	-	(4,623.92)
Right of use assets	(134.25)	41.87	-	(92.38)
Other timing differences	(7.53)	3.00	-	(4.53)
	<b>B</b>	<b>(207.27)</b>	<b>-</b>	<b>(4,720.83)</b>
<b>Net deferred tax</b>	<b>(4,016.43)</b>	<b>(330.65)</b>	<b>4.32</b>	<b>(4,342.76)</b>

**F. Availability of MAT Credit is upto:**

(Rs. Lakhs)

Financial year	As at March 31, 2026		As at March 31, 2025	
	Amount		Amount	
2032-33	-			285.19
2033-34	67.15			623.00
	67.15			908.19

**38. Leases**

The details of the right-of-use asset held by the Company is as follows:

Particulars					(Rs. Lakhs)
	Opening as on April 1, 2025	Additions during the year	Deletions during the year	Depreciation during the year	Net Carrying amount as at March 31, 2026
Building	264.35	-	48.88	107.14	108.33

Particulars					(Rs.Lakhs)
	Opening as on April 1, 2024	Additions during the year	Deletions during the year	Depreciation during the year	Net Carrying amount as at March 31, 2025
Building	384.19	23.42	-	143.26	264.35

The Company incurred Rs. 99.85 lakhs (March 31, 2025: Rs. 30.36 lakhs) towards expenses relating to short-term leases and 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	(Rs.Lakhs)	
	As at March 31, 2026	As at March 31, 2025
Opening balance	303.83	435.62
Additions	-	23.43
Deletions	(59.78)	-
Amount recognised in statement of profit and loss as interest expense	19.57	33.43
Payment of lease liability	(138.95)	(188.65)
<b>Closing balance</b>	<b>124.67</b>	<b>303.83</b>

The following table presents a breakup of lease liabilities:

Particulars	(Rs.Lakhs)	
	As at March 31, 2026	As at March 31, 2025
Current liability	58.80	124.39
Non-current liability	65.87	179.44
<b>Closing balance</b>	<b>124.67</b>	<b>303.83</b>

Refer note 52 and 53

Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities  
(Rs.Lakhs)

Particulars	Non-current borrowings*	Current borrowings#	Lease Liability	Total
Opening balance as at April 1, 2024	5,817.61	38,711.77	435.62	44,965.00
Cash flows during the year	(1,135.10)	(2,125.89)	(188.65)	(3,449.64)
Non-cash changes due to:				
- Interest expense (net of subvention)	465.93	2,247.36	-	2,713.29
- Finance cost on lease liability	-	-	33.43	33.43
- Lease liability recognised	-	-	23.43	23.43
Closing balance as at March 31,2025	5,148.44	38,833.24	303.83	44,285.51
<b>Opening balance as at April 1, 2025</b>	<b>5,148.44</b>	<b>38,833.24</b>	<b>303.83</b>	<b>44,285.51</b>
<b>Cash flows during the year</b>	<b>(455.88)</b>	<b>(3,524.62)</b>	<b>(138.95)</b>	<b>(4,119.45)</b>
Non-cash changes due to:				
- Interest expense (net of subvention)	465.84	1,959.06	-	2,424.90
- Finance cost on lease liability	-	-	19.57	19.57
- Lease liability recognised	-	-	(59.78)	(59.78)
<b>Closing balance as at March 31,2026</b>	<b>5,158.40</b>	<b>37,267.68</b>	<b>124.67</b>	<b>42,550.75</b>

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

#### A. Contingent liabilities\*

Particulars	As at	As at
	March 31, 2026 (Rs.Lakhs)	March 31, 2025 (Rs.Lakhs)
Income tax matters (Refer note 1 below)	-	2,441.20
Indirect tax matters (Refer note 2 below)	1,236.97	356.28
Claims against the Company not acknowledged as debts (excluding claims by employees, where amount is not ascertainable)	319.97	319.97
Sugarcane related matters	4,545.26	4,545.26
<b>Total</b>	<b>6,102.20</b>	<b>7,662.71</b>

#### Notes

- The matter relates to the determination of the arm's length price in respect of transactions involving the sale of steam to intra-unit segments, and the treatment of revenue recognized from the sale of Renewable Energy Certificates for Assessment Year 2018-19. During the year ended March 31, 2026, the Income Tax Appellate Tribunal (ITAT), Delhi passed an order in favour of the Company. The order giving effect from the Assessing Officer is awaited as at the reporting date. In view of the favourable ITAT order and based on management's assessment, no contingent liability is required to be recognised or disclosed in respect of this matter.
- This includes matter relating to Export Pass Fees levied on Denatured Spirits. Pursuant to the judgment dated October 23, 2024 of the Hon'ble Supreme Court in an another matter, the Office of the Assistant Excise Commissioner, Meerut, has in July 2025, raised a demand of Rs. 880.69 lakhs for the period from the financial year 2018-19 to July 11, 2025 towards Export Pass Fees levied on Denatured Spirits. The U.P. Sugar Manufacturers' Association (UPSMA) on behalf of its members has filed a writ petition challenging the demand based on legal opinion that the State Government cannot levy or recover any duty for the past period under existing legislation. The Hon'ble Allahabad High Court by an order dated July 30, 2025 has ordered to keep the State Government order in abeyance till the matter is decided. In view of the above, the Company has not made any provision in the financial statements in this regard.

\*Pending resolution of the respective proceedings, it is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

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

**DCM Shriram Industries Limited****CIN: L74899DL1989PLC035140****Notes to the Financial Statements for the year ended March 31, 2026 (continued)****B. Commitments**

- a. Capital commitments: Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) amount aggregating to Rs. 5.14 lakhs (March 31, 2025: Rs. 31.83 lakhs ) lakhs relating to Property, plant and equipment.
- b. Other commitments: The Company has other commitments, for purchase / sales orders which are issued after considering requirements per operating cycle for purchase / sale of goods and services, employee benefits including union agreement in the normal course of business. The Company does not have any long term commitments / contracts, including derivative contracts, with any material foreseeable losses.

**40. 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.

<b>Particulars</b>	<b>Unit</b>	<b>For the year ended March 31, 2026</b>	<b>For the year ended</b>
Profit after tax attributable to equity shareholders	Rs. Lakhs	<b>4,161.44</b>	3,018.56
Weighted average number of equity shares outstanding during the year	Numbers	<b>86,992,185</b>	86,992,185
Nominal value per share	Rs.	<b>2</b>	2
<b>Basic and diluted earnings per share</b>	<b>Rs.</b>	<b>4.78</b>	3.47

**41. Employee benefits**

**A. Defined contribution plans**

Rs. 345.78 lakhs (March 31, 2025: 298.22 lakhs) for provident fund contributions and Rs. 69.78 lakhs (March 31, 2025: Rs. 90.09 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	(Rs. Lakhs)	
	As at March 31, 2026	As at March 31, 2025
Non current	-	-
Current	<u>29.43</u>	<u>(397.77)</u>
Net defined benefit liability/(asset)- Gratuity	<u>29.43</u>	<u>(397.77)</u>

**(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	(Rs. Lakhs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Balance at the beginning of the year	1,939.33	1,921.81
Current service cost	126.14	118.76
Interest cost	134.40	149.26
Actuarial (gain)/ loss arising from changes in financials assumptions	(12.42)	39.54
Transferred pursuant to the Scheme	(47.21)	-
Actuarial loss arising from changes in experience adjustments	264.66	(14.01)
Benefits paid	<u>(239.51)</u>	<u>(276.03)</u>
<b>Balance at the end of the year</b>	<u>2,165.39</u>	<u>1,939.33</u>

**(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	(Rs. Lakhs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Balance at the beginning of the year	2,337.10	2,584.77
Expected return on plan assets	161.96	186.88
Contribution by the Company	-	(447.71)
Transferred pursuant to the Scheme	(47.21)	-
Benefits paid	(208.58)	-
Actuarial (losses)/ gains recognised in other comprehensive income	(107.31)	13.16
<b>Balance at the end of the year</b>	<u>2,135.96</u>	<u>2,337.10</u>

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

Particulars	(Rs. Lakhs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Current service cost	126.14	118.76
Interest cost	134.40	149.26
Expected return on plan assets	(161.96)	(186.88)
Actuarial losses recognised in other comprehensive income	359.56	12.38
	<u>458.14</u>	<u>93.52</u>

**iv) Constitution of plan assets**

Particulars	(Rs. Lakhs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Funded with Life Insurance Corporation of India*	2,135.96	2,089.42

\*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.

**DCM Shriram Industries Limited**  
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**Notes to the Financial Statements for the year ended March 31, 2026 (continued)**

**v) Remeasurements recognized in other comprehensive income**

Particulars	(Rs. Lakhs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
Actuarial gain / (loss) on plan assets	(107.31)	13.16
Actuarial (loss) / gain arising from changes in financials assumptions	12.42	(39.54)
Actuarial (loss) arising from changes in experience adjustments	(264.66)	14.01
	<b>(359.56)</b>	<b>(12.38)</b>

**vi) Actuarial assumptions**

Principal actuarial assumptions (expressed as weighted averages):

Particulars	As at March 31, 2026	As at March 31, 2025
<b>Financial assumptions</b>		
Discount rate	7.29%	6.93%
Future salary growth	5.00%	5.00%
Rate of return on plan assets	8.28%	8.28%
Expected average remaining working lives of employees (years)	17.66	17.66
<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

The weighted average duration of the defined benefit obligations as on March 31, 2026 is 13.56 years (March 31, 2025: 13.21 years)

Expected contributions to post-employment benefit plans for the financial year 2026-27 are Rs. 114.74 lakhs (2025-26: Rs. 67.86 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	(Rs. Lakhs)			
	For the year ended March 31, 2026		For the year ended March 31, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate variation of 0.50%	(68.79)	74.45	(62.57)	67.08
Future salary growth variation of 0.50%	78.10	(71.04)	67.80	(64.03)

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	(Rs. Lakhs)	
	As at March 31, 2026	As at March 31, 2025
Within 1 year	840.37	464.84
1 year to 5 years	694.30	1,050.07
More than 5 years	630.72	424.42

**C. Compensated absences:**

The obligation of compensated absence in respect of the employees of the Company as at March 31, 2026 works out to Rs. 638.95 lakhs (March 31, 2025: Rs. 482.90 lakhs)

**D. 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.

E. On November 21, 2025 the Government of India notified four labour codes i.e. the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020 ("New Labour Code") consolidating 29 existing labour laws. The Ministry of Labour & Employment published Central Rules (including draft rules) and FAQs to enable assessment of financial impact due to these changes in regulations. Based on information available and guidance provided by the Institute of Chartered Accountants of India, the Company has assessed impact of these changes and is of the view that there is no material financial impact. It continues to monitor the developing regulatory scenario, including finalisation of Central / State Rules and clarifications from the Government on other aspects of labour codes. The accounting effect of such developments, if any, shall be appropriately considered.

**42. 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 relationship**

**a. Subsidiary**

Daurala Foods and Beverages Private Limited (upto December 17, 2025)  
 DCM Shriram Fine Chemicals Limited (upto December 17, 2025)  
 DCM Shriram International Limited (upto December 17, 2025)

**b. Associate**

DCM Hyundai Limited (upto December 17, 2025)

**c. Key management personnel**

Mr. S. B. Mathur, Chairman and Non-independent director  
 Mr. Alok B. Shriram, Senior Managing Director (upto December 23, 2025)  
 Mr. Madhav B. Shriram, Managing Director & CEO  
 Ms. Urvashi Tilak Dhar, Director (upto December 23, 2025)  
 Mr. Uday Shriram, Deputy Managing Director (w.e.f. December 23, 2025)  
 Mr. Rohan Shriram, Whole-time Director (w.e.f. December 23, 2025)  
 Ms. V. Kavitha Dutt, Independent Director (upto December 23, 2025) and Non-executive director (w.e.f. December 23, 2025)  
 Mr. Sanjay C. Kirloskar, Independent Director  
 Mr. Manoj Kumar, Non-executive Director  
 Mr. Harjeet Singh Chopra, Independent Director  
 Mr. Kamal Kumar, LIC Nominee Director  
 Mr. Anurag Surana, Independent Director (w.e.f. December 23, 2025)  
 Mr. Sidharth Prasad, Independent Director (w.e.f. December 23, 2025)  
 Mr. Y. D. Gupta, Vice President & Company Secretary  
 Mr. Vineet Manaktala, Director & CFO  
 Mr. Suman Jyoti Khaitan, Independent Director (upto December 23, 2025)  
 Ms. Meenakshi Behra, Independent Director (upto December 23, 2025)

**d. Relatives/HUF of key management personnel or individuals having direct or indirect control or significant influence over entity**

M/s Lala Banshi Dhar & Sons (HUF)

Mr. Alok B. Shriram  
 Ms. Urvashi Tilak Dhar  
 Mr. Akshay Dhar  
 Ms. Kanika Shriram  
 Mr. Rudra Shriram  
 Mr. Uday Shriram  
 Mr. Rohan Shriram  
 Ms. Anita Gupta  
 Ms. Suman Banshi Dhar  
 Ms. Divya Shriram  
 Ms. Karuna Shriram  
 Ms. Aditi Dhar  
 Ms. Amita Manaktala  
 Ms. Astha Manaktala  
 Mr. Mohit Manaktala

**e. Trusts**

Employees' Provident Fund Trust, DCM Shriram Industries Limited  
 Daurala Organics Limited Employees' Provident Fund Trust (upto December 17, 2025)  
 DCM Shriram Industries Limited Superannuation Trust  
 DCM Shriram Industries Limited Employees' Gratuity Fund

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

Akshay Foundation  
 DCM Containers & Engineering Private Limited  
 Lily Commercial Private Limited (upto December 17, 2025)  
 Brienworks Services Private Limited  
 Fives Cell – KCP Limited  
 Daurala Foods and Beverages Private Limited  
 DCM Hyundai Limited  
 DCM Shriram Fine Chemicals Limited  
 DCM Shriram International Limited

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**Notes to the Financial Statements for the year ended March 31, 2026 (continued)**

**B. Transactions with related parties:**

Particulars	(Rs. Lakhs)	
	For the Year ended March 31, 2026	For the Year ended March 31, 2025
<b>Rent expenses</b>		
Relatives/HUF of key management personnel	48.30	56.73
DCM Shriram International Limited	17.10	-
	<b>65.40</b>	56.73
<b>Interest expense</b>		
Key management personnel	0.26	1.36
Relatives of Key management personnel	37.08	42.05
<b>Total</b>	<b>37.34</b>	43.41
<b>Purchase of stores &amp; spares</b>		
Fives Cail – KCP Limited	-	5.40
DCM Shriram Fine Chemicals Limited	13.42	9.12
	<b>13.42</b>	14.52
<b>Equity dividend paid</b>		
Relatives/HUF of key management personnel	-	0.03
<b>Other expenses</b>		
DCM Containers & Engineering Private Limited	-	96.00
<b>Shared service income</b>		
DCM Shriram International Limited	69.00	-
DCM Shriram Fine Chemical Limited	60.59	-
<b>Total</b>	<b>129.59</b>	-
<b>Sale of products</b>		
DCM Shriram Fine Chemicals Limited	3,593.51	3,108.55
<b>Reimbursement of expenses</b>		
DCM Shriram Fine Chemicals Limited	212.22	226.98
<b>Security deposits received back</b>		
Lala Bansi Dhar & Sons	35.10	-
<b>Salaries and bonus including contributions made to provident fund</b>		
Key management personnel	479.34	563.88
Relatives/HUF of key management personnel	64.19	53.90
<b>Total</b>	<b>543.53</b>	617.78
<b>Post-employment defined benefit plan</b>		
<b>Gratuity</b>		
Key management personnel	47.12	7.40
Relatives/HUF of key management personnel	7.20	4.95
<b>Total</b>	<b>54.32</b>	12.35
<b>Other long term defined benefit plan</b>		
<b>Compensated absences</b>		
Key management personnel	42.15	6.79
Relatives/HUF of key management personnel	11.60	3.46
<b>Total</b>	<b>53.75</b>	10.25
<b>Commission to Independent Directors</b>		
Mr. S. B. Mathur	12.60	9.13
Mr. Sidharth Prasad	2.35	-
Mr. Anurag Surana	2.35	-
Ms. Kavitha Dutt Chitturi	9.40	8.62
Mr. Sanjay C. Kirloskar	9.40	8.10
Mr. Meenakshi Behra	-	1.09
Mr. Manoj Kumar	9.40	6.55
Mr. Harjeet Singh Chopra	9.40	8.10
Mr. Suman Jyoti Kalthan	-	8.61
Mr. Kamal Kumar	9.40	6.55
<b>Total</b>	<b>64.30</b>	56.75
<b>Total compensation paid to key management personnel</b>	<b>715.90</b>	697.13

Particulars	(Rs. Lakhs)	
	For the Year ended March 31, 2026	For the Year ended March 31, 2025
<b>Post-employment defined benefit plan contribution paid to provident fund</b>		
Trusts	-	426.01
<b>Gratuity</b>		
Trust	6.28	5.57
<b>Other long term defined contribution plan superannuation</b>		
Trust	90.70	103.40
<b>Allocation of dividend</b>		
DCM Shriram International Limited	-	579.95
DCM Shriram Fine Chemical Limited	-	579.95
	-	1,159.90
<b>Allocation of dividend to shareholders</b>		
Lily Commercial Private Limited	-	871.77
<b>Cancellation of dividend to shareholders</b>		
Lily Commercial Private Limited	870.62	870.62
<b>Security deposit receivable</b>		
Relatives/HUF of key management personnel	-	24.86
<b>Trade receivables</b>		
DCM Shriram Fine Chemicals Limited	325.08	273.25
<b>Trade payables</b>		
DCM Shriram International Limited	18.46	-
<b>Other payables</b>		
DCM Shriram Fine Chemicals Limited	109.39	-
DCM Shriram International Limited	41.09	-
<b>Total</b>	<b>150.48</b>	<b>-</b>
<b>Other receivables</b>		
DCM Shriram Fine Chemicals Limited	-	374.03
DCM Shriram International Limited	-	459.16
<b>Total</b>	<b>-</b>	<b>833.19</b>
<b>Payables</b>		
<b>Public deposits including interest accrued</b>		
Key management personnel	35.15	132.28
Relatives/HUF of key management personnel	336.40	270.71
<b>Total</b>	<b>371.55</b>	<b>402.99</b>
<b>Payables</b>		
<b>Dividend Payable</b>		
Relatives/HUF of key management personnel	-	0.03
<b>Provision</b>		
<b>Gratuity</b>		
Key management personnel	269.20	209.91
Relatives/HUF of key management personnel	-	4.97
	<b>269.20</b>	<b>214.88</b>
<b>Provision</b>		
<b>Compensated absences</b>		
Key management personnel	183.14	119.45
Relatives/HUF of key management personnel	-	9.94
	<b>183.14</b>	<b>129.39</b>
<b>Remuneration/ Commission payables</b>		
Commission to key management personnel	196.70	1,134.18
Commission to Independent Directors	64.30	170.21
	<b>261.00</b>	<b>1,304.39</b>

#Refer note 52, 53 and 54

**Note:**

1 Transactions with the related parties are made on normal commercial terms and conditions and at market rates, to be settled in cash.

2 As per the approved Scheme of Arrangement, the Company has continued to manage the operations of the demerged units during the relevant period. Accordingly, inter se transactions between the Company and the resultant companies relating to the operation of these units, including transfer of goods, assets, employees, funds, and reimbursement of income and expenses etc. have been transferred to DSFCL and DSIL and same are not included above.

Further, pursuant to the Scheme's approval, Lily has been amalgamated with the Company and stands dissolved. All transactions relating to Lily from the appointed date of April 1, 2023 have been duly incorporated into the Company's financials. Accordingly, Shareholder level transactions, such as dividend distributions, have been disclosed above where applicable.

A sum aggregating to Rs. 109.39 lakhs and Rs. 41.09 lakhs is payable as at March 31, 2026 (March 31, 2025: Rs. 374.03 lakhs and Rs. 459.16 lakhs receivable) to/from DSFCL and DSIL respectively.

3 The above disclosures have been prepared based on allocations across the respective business segments, in alignment with the legal employment and governance structure applicable during the relevant periods, and are presented as attributable to the respective businesses.

43. Financial instruments – Fair values and risk management

a. Financial Instruments – by category and fair values hierarchy

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

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

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

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

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

i. As on March 31, 2025

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
(Rs. Lakhs)							
<b>Financial assets</b>							
<b>Non-current</b>							
(i) Investments	-	-	0.00	0.00	-	-	0.00
(ii) Loans*	-	-	16.16	16.16	-	-	-
(iii) Other financial assets*	-	-	169.21	169.21	-	-	-
<b>Current</b>							
(i) Investments*							
Debt instruments (Mutual funds)	-	-	530.32	530.32	530.32	-	-
(ii) Trade receivables*	-	-	2,706.93	2,706.93	-	-	-
(iii) Cash and cash equivalents*	-	-	3,315.46	3,315.46	-	-	-
(iv) Other bank balances*	-	-	531.96	531.96	-	-	-
(v) Loans*	-	-	6.92	6.92	-	-	-
(vi) Other financial assets*	-	-	35,345.95	35,345.95	-	-	-
<b>Total</b>	-	-	<b>42,622.92</b>	<b>42,622.92</b>	-	-	-
<b>Financial liabilities</b>							
<b>Non-current</b>							
(i) Borrowings (including current maturities)#	-	-	5,113.94	5,113.94	-	5,113.94	-
(ii) Lease liabilities*	-	-	179.44	179.44	-	-	-
(iii) Other financial liabilities*	-	-	6,940.84	6,940.84	-	-	-
<b>Current</b>							
(i) Borrowings#	-	-	38,833.24	38,833.24	-	-	-
(ii) Lease liabilities*	-	-	124.39	124.39	-	-	-
(iii) Trade payables*	-	-	13,938.78	13,938.78	-	-	-
(iv) Other financial liabilities*	-	-	3,121.87	3,121.87	-	-	-
<b>Total</b>	-	-	<b>68,252.50</b>	<b>68,252.50</b>	-	-	-

ii. As on March 31, 2026

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVTOCI	Amortised cost	Total	Level 1	Level 2	Level 3
(Rs. Lakhs)							
<b>Financial assets</b>							
<b>Non-current</b>							
(i) Investments	-	-	0.00	0.00	-	-	0.00
(ii) Loans*	-	-	1.56	1.56	-	-	-
(iii) Other financial assets*	-	-	211.78	211.78	-	-	-
<b>Current</b>							
(i) Investments*							
Debt instruments (Mutual funds)	-	-	1,539.13	1,539.13	1,539.13	-	-
(ii) Trade receivables*	-	-	3,669.92	3,669.92	-	-	-
(iii) Cash and cash equivalents*	-	-	3,236.29	3,236.29	-	-	-
(iv) Other bank balances*	-	-	197.00	197.00	-	-	-
(v) Loans*	-	-	0.84	0.84	-	-	-
(vi) Other financial assets*	-	-	37,953.31	37,953.31	-	-	-
<b>Total</b>	-	-	<b>46,809.83</b>	<b>46,809.83</b>	-	-	-
<b>Financial liabilities</b>							
<b>Non-current</b>							
(i) Borrowings (including current maturities)#	-	-	5,137.49	5,137.49	-	5,137.49	-
(ii) Lease liabilities*	-	-	65.87	65.87	-	-	-
(iii) Other financial liabilities*	-	-	3,525.97	3,525.97	-	-	-
<b>Current</b>							
(i) Borrowings#	-	-	37,267.68	37,267.68	-	-	-
(ii) Lease liabilities*	-	-	58.80	58.80	-	-	-
(iii) Trade payables*	-	-	14,006.98	14,006.98	-	-	-
(iv) Other financial liabilities*	-	-	1,905.08	1,905.08	-	-	-
<b>Total</b>	-	-	<b>61,967.87</b>	<b>61,967.87</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 have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2026 and March 31, 2025.

Valuation

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. 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:

(Rs. Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Investments	1,539.13	530.32
Trade receivables	3,669.92	2,706.93
Cash and cash equivalents	3,236.29	3,315.46
Other bank balances	197.00	531.96
Loans	2.40	23.08
Other financial assets	38,165.09	35,515.16

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:

(Rs. Lakhs)

Particulars	Gross carrying amount	
	As at March 31, 2026	As at March 31, 2025
1-90 days past due *	981.17	200.55
91 to 180 days past due	24.72	18.68
More than 180 days past due #	139.32	142.55
Not due	2,524.71	2,345.15
	3,669.92	2,706.93

\* 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.

There is no allowance for impairment in respect of trade receivables.

**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 49).

**(ii) Liquidity risk**

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

The Company believes that its liquidity position, including total cash and cash equivalent and bank balances other than cash and cash equivalent of Rs. 3,433.29 lakhs as at March 31, 2026 (March 31, 2025: Rs. 3,847.42 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	(Rs. Lakhs)	
	As at March 31, 2026	As at March 31, 2025
From banks	2,052.55	486.76

**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:

As at March 31, 2025	Carrying amount	Contractual cash flows			Total
		0-1 year	More than 1 but upto 5 years	More than 5 years	
<b>Non-current liabilities</b>					
Borrowings*	3,112.09	-	3,112.09	-	3,112.09
Lease liabilities	179.44	-	198.73	-	198.73
Other financial liabilities	6,940.84	-	6,940.84	-	6,940.84
<b>Current liabilities</b>					-
Borrowings	40,835.09	40,835.09	-	-	40,835.09
Lease liabilities	124.39	144.00	-	-	144.00
Trade payables	13,938.78	13,938.78	-	-	13,938.78
Other financial liabilities	3,121.87	3,121.87	-	-	3,121.87
<b>Total</b>	<b>68,252.50</b>	<b>58,039.74</b>	<b>10,251.66</b>	-	<b>68,291.40</b>

As at March 31, 2026	Carrying amount	Contractual cash flows			Total
		0-1 year	More than 1 but upto 5 years	More than 5 years	
<b>Non-current liabilities</b>					
Borrowings*	3,748.24	-	3,748.24	-	3,748.24
Lease liabilities	65.87	-	69.95	-	69.95
Other financial liabilities	3,525.97	-	3,525.97	-	3,525.97
<b>Current liabilities</b>					
Borrowings	38,656.93	38,656.93	-	-	38,656.93
Lease liabilities	58.80	67.64	-	-	67.64
Trade payables	14,006.98	14,006.98	-	-	14,006.98
Other financial liabilities	1,905.08	1,905.08	-	-	1,905.08
<b>Total</b>	<b>61,967.87</b>	<b>54,636.63</b>	<b>7,344.16</b>	-	<b>61,980.79</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 Company is not exposed to currency risk as it has no foreign currency payable or receivables at the end of the reporting period.

## (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:

Particulars	(Rs.Lakhs)	
	As at March 31, 2026	As at March 31, 2025
<b>Financial Assets</b>		
<b>Fixed Rate Instruments</b>		
Bank Balances other than cash and cash equivalents	197.00	531.96
Other Financial assets	372.26	181.06
<b>Total</b>	<b>569.26</b>	<b>713.02</b>
<b>Financial Liabilities</b>		
<b>Fixed Rate Instruments</b>		
Public Deposits	737.35	814.79
<b>Variable-rate Instruments</b>		
Term loans	4,400.14	4,299.15
Cash Credit	37,267.68	38,833.24
<b>Total</b>	<b>42,405.17</b>	<b>43,947.18</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.

Particulars	(Rs.Lakhs)			
	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, 2026</b>				
Interest on term loans	(44.00)	44.00	(28.63)	28.63
Interest on cash credits	(372.68)	372.68	(242.45)	242.45
<b>For the year ended March 31, 2025</b>				
Interest on term loans	(42.99)	42.99	(27.97)	27.97
Interest on cash credits	(388.33)	388.33	(252.63)	252.63

**44. 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:

Particulars	(Rs.Lakhs)	
	As at March 31, 2026	As at March 31, 2025
Borrowings	42,405.17	43,947.18
Less : Cash and cash equivalents	(3,236.29)	(3,315.46)
<b>Adjusted net debt (A)</b>	<b>39,168.88</b>	<b>40,631.72</b>
<b>Total equity (B)</b>	<b>36,478.27</b>	<b>33,456.52</b>
<b>Adjusted net debt to total equity ratio (A/B)</b>	<b>1.07</b>	<b>1.21</b>

45. Research and development expenses amounting to Rs.2.57 lakhs (March 31, 2025: Rs. Nil) have been charged to the respective revenue accounts. No capital expenditure relating to research and development has been incurred during current and previous year.

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

Particulars	(Rs.Lakhs)	
	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Amount remaining unpaid to suppliers under MSMED (suppliers) as at the end of year.		
- Principal amount	808.61	875.20
-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.	-	-

#### 47. Disclosures related to government grant

The government grants/assistance recognised are as under:

Nature of Grant/assistance	Income/ expense head	(Rs.Lakhs)	
		For the year ended March 31, 2026	For the year ended March 31, 2025
Subvention on loan interest	Other income/Finance cos	5.67	31.55
Interest subsidy in respect of loan at concessional rate	Other income/Finance cos	-	22.72

48. Immovable properties yet to be endorsed in the name of Company are as under :

Particulars	Amount as on March 31, 2026	Amount as on March 31, 2025	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>Property, Plant and Equipment</b>					
Land situated at Daurala, Uttar Pradesh (UP)	138.91	379.04	No	1991	Vested in the Company pursuant to a Scheme of Arrangement of erstwhile DCM Limited. (Undisputed)

49. 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 and fresh assessment under GST have been completed. 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 out of which, as per the Hon'ble Allahabad High Court orders dated September 25, 2025 and consent given by the Company to refund the amount directly to the buyer, Rs. 1,317.52 lakh has been refunded upto March 31, 2026 and Rs.2,100.00 lakh has been refunded subsequently.

GST demands aggregating Rs. 40,855.83 lakhs (March 31, 2025: Rs.29,617.47 lakhs) have been raised in relation to these transactions from July 1, 2017 to September 30, 2022, including Rs.11,238.36 raised during the current year, which have been stayed by the Hon'ble Allahabad High Court and are being contested. The Company has deposited amounts aggregating Rs.3,480.85 lakhs as of March 31, 2026 (Rs. 6,898.37 lakhs as at March 31, 2025) 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 is still to notify any rules in this regard.

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. 37,110.69 lakhs as at March 31, 2026 (Rs. 33,843.88 lakhs as at March 31, 2025) under "Provisions (current)". Basis the undertaking from the buyer, the Company has recognized corresponding reimbursement assets amounting to Rs. 37,110.69 lakhs as at March 31, 2026 (Rs. 33,843.88 lakhs as at March 31, 2025) under "Other financial assets (current)". The GST amount aggregating Rs. 3,480.85 lakhs as at March 31, 2026 (Rs.6,898.37 lakhs as at March 31, 2025) 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"

## 50. Financial Ratios:

Particulars	Numerator	Denominator	2025-26	2024-25	Variance
(a) Current Ratio	Current assets	Current liabilities	1.1	1.1	3.1%
(b) Debt- Equity Ratio	Total Debt	Total Equity	1.2	1.3	-11.5%
(c) Debt Service Coverage Ratio**	Earnings available for debt service*	Scheduled Debt Service	3.4	2.1	57.9%
(d) Return on Equity Ratio^	Net Profits after taxes	Shareholders' Equity	11.9%	9.4%	27.1%
(e) Inventory Turnover Ratio	Cost of goods sold	Average Inventory	1.5	1.4	10.8%
(f) Trade Receivable Turnover Ratio	Revenue	Average Trade Receivable	36.4	39.6	-8.2%
(g) Trade Payable Turnover Ratio	Purchases and other expenses	Average Trade Payable	7.1	6.4	10.4%
(h) Net Capital Turnover Ratio	Revenue	Working Capital	10.4	13.4	-22.5%
(i) Net Profit Ratio^	Net Profit	Total Income	3.6%	2.8%	29.2%
(j) Return on Capital Employed	Earning before interest and taxes	Capital Employed #	19.7%	18.2%	8.2%
(k) Return on Investment	Income generated from investments	Time weighted average investments	5.4%	7.2%	-24.3%

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

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

\*\* Higher due to higher profits and lower loan repayments

^ Increased mainly due to higher sales realization

## 51. 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, 2026	As at March 31, 2025
<b>Current assets</b>			
Inventories	10	56,963.03	57,621.02
Trade receivables	12	3,669.92	2,706.93
Cash and cash equivalents	13	3,236.26	3,315.46
Other bank balances	14	197.00	531.96
Loans	15	0.84	6.92
Other financial assets	16	842.62	1,502.07
Other current assets	17	637.47	1,089.53
<b>Total (I)</b>		<b>65,547.17</b>	<b>66,773.89</b>
<b>Non-current asset</b>			
Property, plant and equipment	3	32,399.14	30,846.79
Capital work-in progress	3	107.22	33.41
Intangible assets	4	6.98	8.38
Loans	6	1.56	16.16
Other financial assets	7	211.78	169.21
Income-tax assets (net)	8	1,362.78	1,285.92
Other non-current assets	9	24.40	36.09
<b>Total (II)</b>		<b>34,113.86</b>	<b>32,396.05</b>
<b>Grand Total (I&amp;II)</b>		<b>99,661.03</b>	<b>99,169.94</b>

52. The Hon'ble National Company Law Tribunal, New Delhi bench, vide Order dated November 21, 2025, approved the Composite Scheme of Arrangement between DCM Shriram Industries Limited (DCMSR) and DCM Shriram Fine Chemicals Limited (DSFCL) and DCM Shriram International Limited (DSIL) and Lily Commercial Private Limited (Lily), for amalgamation of Lily with DCMSR, and subsequent demerger of Chemical and Rayon businesses of DCMSR into its wholly owned subsidiaries DSFCL and DSIL respectively, with effect from the appointed date of April 01, 2023 (the Scheme). The Scheme after approval from BSE and NSE, was filed with the Hon'ble NCLT, New Delhi as required under Section 230-232 of the Companies Act, 2013. The Hon'ble NCLT after due process and hearings has approved the Scheme by Order dated November 21, 2025. Subsequently, certified copies of the Order and the Scheme were received on December 05, 2025. As required under the Companies Act, 2013, certified copies were filed by the companies with the Registrar of Companies between December 05, 2025 to December 17, 2025. Accordingly, the Scheme is deemed to have come into effect from December 17, 2025 in terms of Clause 7.1(v) of the Scheme. The Scheme is applicable from the Appointed Date i.e. April 01, 2023. Accordingly, the business combination has been reflected in the books of account from the beginning of FY 2023-24, i.e., April 01, 2023 (Appointed date).

## a. Amalgamation of Lily

The assets and liabilities of Lily were transferred to and vested in the Company with effect from the appointed date of April 1, 2023. Consequently on appointed date, 50.11% shares of the Company which were held by Lily have been cancelled and the Company has issued and allotted the same number of equity shares to the shareholders of Lily, in proportion to the shares held by them in Lily, as on the record date. In addition net assets of Rs. 6,271 lakhs and reserves of Rs. 5,626 lakhs have been acquired by the Company from Lily on the appointed date. The Amalgamation deficit adjustment account of Rs. 5,502 lakhs created due to cancellation of Equity share capital of Lily and shares held by Lily in the Company has been adjusted against reserves acquired.

Particulars	Amount (Rs. Lakhs)
Assets taken over (A)	6,278.47
Liabilities and Reserves taken over (B)	5,633.34
Net assets acquired in the scheme of amalgamation (C)=(A)-(B)	645.13
<b>Adjustment in other equity</b>	
Adjustment on cancellation of investment in shares of the Company acquired in the scheme of Amalgamation	(6,147.52)
Adjustment on equity shares of DCMSR in respect of that investment	(871.77)
Adjustment on issuance of new equity shares to the shareholders of Lily	871.77
Net adjustment in other equity (D)	(6,147.52)
<b>Amalgamation deficit adjustment account (C)+(D)</b>	<b>5,502.39</b>

## b. Demerger of Chemicals and Rayons Undertaking

- The respective carrying values of the assets, liabilities and reserves of the Rayon and Chemical Undertaking, as at the close of business on the day immediately preceding the Appointed Date, is reduced from the books of accounts of DCMSR.
- The investment of DCMSR in the DSFCL (Resultant Company 1) and DSIL (Resultant Company 2) as appearing in its books of accounts is cancelled.
- The Company has transferred net assets of Rs. 15,336.44 lakhs and Rs. 22,495.72 lakhs and surplus in the statement of profit and loss of Rs. 28,662.58 lakhs and Rs. 10,650.71 lakhs to the DSFCL and DSIL respectively. Further, surplus in the statement of profit and loss of the Company is adjusted for cancellation of investments aggregating to Rs. 2,331.27 lakhs and Rs. 1.34 lakhs of DSFCL and DSIL respectively.
- The consideration was discharged by the DSFCL and DSIL by issuing shares to the shareholders of the Company equal to the shares held by them in the Company.
- The above have resulted in creation of Amalgamation deficit adjustment account of Rs. 851.40 lakhs in the Company.

53 Pursuant to the Scheme, the following assets and liabilities were transferred from the Company to DSIL in respect of Rayons Undertaking and DSFCL in respect of Chemical Undertaking as on April 01, 2023 (Appointed date)

Particulars	(Rs. Lakhs)	
	As at April 01, 2023	
ASSETS	Rayons Undertaking	Chemical Undertaking
<b>Non-current assets</b>		
Property, plant and equipment	19,990.20	10,886.26
Capital work-in progress	160.54	9.24
Right-of-use assets	733.66	289.82
Intangible assets	75.85	98.76
<b>Financial assets</b>		
(i) Investments	480.50	447.40
(ii) Loans	-	32.68
(iii) Other financial assets	328.70	4.37
Other non-current assets	38.00	33.89
<b>Total non-current assets</b>	<b>21,807.45</b>	<b>11,802.42</b>
<b>Current assets</b>		
Inventories	11,911.99	5,578.05
<b>Financial assets</b>		
(i) Investments	89.01	1,563.27
(ii) Trade receivables	14,553.02	6,801.37
(iii) Cash and cash equivalents	37.40	133.04
(iv) Bank balances other than (iii) above	372.78	-
(v) Loans	4.45	3.93
(vi) Other financial assets	63.64	-
Other current assets	897.34	120.39
<b>Total current assets</b>	<b>27,929.63</b>	<b>14,200.05</b>
<b>TOTAL ASSETS</b>	<b>49,737.08</b>	<b>26,002.47</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY</b>		
Other equity	22,495.72	15,336.44
<b>LIABILITIES</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
(i) Borrowings	1,421.71	1,353.08
(ii) Lease liabilities	618.75	238.97
Provisions	352.97	273.20
Deferred tax liabilities (net)	2,301.95	883.10
<b>Total non-current liabilities</b>	<b>4,695.38</b>	<b>2,748.35</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
(i) Borrowings	9,293.42	734.15
(ii) Lease liabilities	208.83	113.69
(iii) Trade payables		
- Total outstanding dues of micro enterprises and small enterprises; and	231.80	491.18
- Total outstanding dues of creditors other than micro enterprises and small enterprises	11,344.24	5,341.38
(iii) Other financial liabilities	1,006.97	821.44
Other current liabilities	196.94	190.70
Provisions	263.78	225.14
<b>Total current liabilities</b>	<b>22,545.98</b>	<b>7,917.68</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>49,737.08</b>	<b>26,002.47</b>

**DCM Shriram Industries Limited**

CIN: L74899DL1989PLC035140

**Notes to the Financial Statements for the year ended March 31, 2026 (continued)**

54 As per the Scheme of Arrangement approved by Hon'ble NCLT, New Delhi Bench by order dated November 21, 2025, Lily Commercial Private Limited (Lily) was amalgamated with the Company. 43,588,680 equity shares of Rs.2 each held by Lily in the Company were extinguished and identical number of shares were allotted to the shareholders of Lily in proportion to their shareholders in the amalgamated company as on the record date i.e. December 05, 2025.

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

**Entity-wide disclosures**

Entity-wide disclosures details as per INDAS 108-

- (i) Revenue from operations reported are from single stream of operations  
(ii) The Company is operating in a single geographical segment, however it serves overseas customers located across different parts of the world.

	<b>For the year ended March 31, 2026</b>	<b>For the year ended March 31, 2025</b>
	<b>(Rs. Lakhs)</b>	<b>(Rs. Lakhs)</b>
<b>Revenue from operations</b>		
<b>(a) India</b>	<b>115,982.43</b>	<b>107,970.61</b>
<b>(b) Outside India</b>		
Nepal	<u>29.10</u>	-
<b>Total (b)</b>	<u>29.10</u>	-
<b>Total (a+b)</b>	<u><b>116,011.53</b></u>	<u><b>107,970.61</b></u>

(iii) There are no non-current assets located outside India.

(iv) There is no major customer with whom revenue exceeds more than 10% of the Company's revenue.

56 The Board of Directors have recommended a final dividend of Rs.0.40 per share on equity shares of Rs.2 each for the year ended 31 March 2026, subject to approval of shareholders at the ensuing annual general meeting and has not been included as a liability in these financial statements. The total expected amount of cash outflow is Rs.347.97 lakhs.

**57 Additional regulatory information:**

- i) The Company does not have any benami property, and no proceeding has been initiated against the Company for holding any benami property.  
ii) The Company does not have any transactions with struck off companies.  
iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period. Also refer note 20D.  
iv) The Company has not traded or invested in crypto currency or any virtual currency during the financial year.  
v) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:  
a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries)  
b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.  
vi) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:  
a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiary)  
b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries.  
vii) The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).  
viii) The Company has not been declared as a willful 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 Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India and the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.  
x) The Company has no subsidiary or holding company and thus compliance with the number of layers prescribed under clause (87) of Section 2 of the Act is not applicable

As per our report of even date attached

**For BSR & Co. LLP**

Chartered Accountants

ICAI Firm Registration no.: 101248W/W-100022

**Adhir Kapoor**

Partner

Membership No.: 098297

Place: New Delhi

Date: May 20, 2026

**For and on behalf of the Board of Directors DCM Shriram Industries Limited****S.B. Mathur**

Chairman

DIN: 00013239

**Vineet Manaktala**

Director Finance &amp; CFO

DIN: 09145644

Place: New Delhi

Date: May 20, 2026

**Madhav B. Shriram**

Managing Director &amp; CEO

DIN: 00203521

**Y.D. Gupta**

Vice President &amp; Company

Membership No: 3405

