

A. F. FERGUSON & CO.
CHARTERED ACCOUNTANTS
9, SCINDIA HOUSE,
KASTURBA GANDHI MARG,
NEW DELHI - 110001.

**INDEPENDENT AUDITORS' REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
DCM SHRIRAM INDUSTRIES LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **DCM SHRIRAM INDUSTRIES LIMITED** ("the Company") for the quarter and six months ended September 30, 2015 ("the Statement"), being submitted by the Company pursuant to the requirement of Clause 41 of the Listing Agreement with the Stock Exchange, except for the disclosures in Part II - Select Information referred to in paragraph 6 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. As per the policy followed by the Company for preparation of quarterly results, the sugar off-season expenditure amounting to Rs. 1121 lacs and Rs. 1809 lacs for the quarter and six months ended September 30, 2015 respectively have been deferred for inclusion in the cost of sugar to be produced in the remaining part of the financial year. Had the Company charged expenditure so incurred to the accounting period in which such expenses were incurred, the decrease in stock in trade would have been higher by Rs. 1060 lacs and Rs. 1393 lacs for the quarter and six months ended September 30, 2015 respectively and profit after tax would have been lower by Rs. 693 lacs and Rs. 911 lacs for the quarter and six months ended September 30, 2015 respectively (refer note 1 of the statement).
4. Based on our review conducted as stated above, except for the matter referred to in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement with the Stock Exchange, including the manner in which it is to be disclosed, or that it contains any material misstatement.



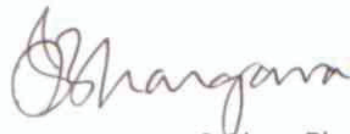
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MIDDLE EAST : DUBAI (U. A. E.) • MUSCAT (OMAN)

5. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreement with the Stock Exchange and the particulars relating to investor complaints disclosed in Part II - Select Information for the quarter and six months ended September 30, 2015 of the Statement, from the details furnished by the Management/Registrars.

For **A. F. FERGUSON & CO.**
Chartered Accountants
(Firm's Registration No. 112066W)



Jaideep Bhargava
Partner
(Membership No. 090295)

New Delhi, November 06, 2015



DCM SHRIRAM INDUSTRIES LIMITED

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PART I : STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED 30TH SEPTEMBER, 2015

| S.No. | PARTICULARS | Three months ended | | | Six months ended | | (Rs./Lacs) |
|-------|---|--------------------|-------------|-------------|------------------|-------------|-------------------------|
| | | 30.09.2015 | 30.06.2015 | 30.09.2014 | 30.09.2015 | 30.09.2014 | Year ended |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | 31.03.2015 (Audited) |
| 1. | Income from operations | | | | | | |
| | (a) Net Sales / income from operations (Net of excise duty) | 25484 | 29836 | 31759 | 55320 | 64695 | 126213 |
| | (b) Other Operating Income | 518 | 466 | 801 | 984 | 1525 | 3637 |
| | Total (1) | 26002 | 30302 | 32560 | 56304 | 66220 | 129850 |
| 2. | Expenses | | | | | | |
| | a) Cost of materials consumed | 5840 | 15403 | 8312 | 21243 | 25321 | 76678 |
| | b) Purchases of stock -in-trade | 1976 | 2842 | 2968 | 4818 | 6038 | 10651 |
| | c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 7919 | 3278 | 9786 | 11197 | 11980 | (861) |
| | d) Employee benefits expense | 2292 | 2395 | 2279 | 4687 | 4697 | 9244 |
| | e) Depreciation and amortisation | 454 | 451 | 455 | 905 | 878 | 1828 |
| | f) Stores, Spares & Components | 1212 | 1348 | 1514 | 2560 | 3098 | 7212 |
| | g) Power & Fuel | 2646 | 1724 | 3079 | 4370 | 5044 | 8963 |
| | h) Other expenses | 2157 | 2295 | 2420 | 4452 | 5068 | 11695 |
| | Total (2) | 24496 | 29736 | 30813 | 54232 | 62124 | 125310 |
| 3. | Profit from Operations before other income and finance costs (1 - 2) | 1506 | 566 | 1747 | 2072 | 4096 | 4540 |
| 4. | Other Income | 316 | 263 | 47 | 579 | 323 | 693 |
| 5. | Profit from ordinary activities before finance costs (3 + 4) | 1822 | 829 | 1794 | 2651 | 4419 | 5233 |
| 6. | Finance costs | 994 | 1089 | 1105 | 2083 | 2120 | 4067 |
| 7. | Profit / (Loss) from ordinary activities before tax (5 - 6) | 828 | (260) | 689 | 568 | 2299 | 1166 |
| 8. | Tax expense | 284 | (97) | 124 | 187 | 375 | 728 |
| 9. | Net Profit / (Loss) after tax (7 - 8) | 544 | (163) | 565 | 381 | 1924 | 438 |
| 10. | Paid-up equity share capital (Face value Rs. 10 /-) | 1740 | 1740 | 1740 | 1740 | 1740 | 1740 |
| 11. | Reserves excluding revaluation reserve | | | | | | 19383 |
| 12. | Basic and diluted earnings per share for the period (Rs.) | 3.13 | (0.94) | 3.25 | 2.19 | 11.06 | 2.52 |

PART II : SELECT INFORMATION

| A. | PARTICULARS OF SHAREHOLDING | | | | | | |
|----|--|--------------------------------------|--------|--------|--------|--------|--------|
| 1. | Public shareholding | | | | | | |
| | - Number of Shares ('000) | 9731 | 9731 | 9773 | 9731 | 9773 | 9731 |
| | - Percentage of Shareholding | 55.9% | 55.9% | 56.2% | 55.9% | 56.2% | 55.9% |
| 2. | Promoters and promoter Group Shareholding | | | | | | |
| | (a) Pledged / Encumbered | | | | | | |
| | - Number of Shares ('000) | - | - | - | - | - | - |
| | - % of the total shareholding of promoters and promoter group | - | - | - | - | - | - |
| | - % of the total share capital of the Company | - | - | - | - | - | - |
| | (b) Non- Encumbered | | | | | | |
| | - Number of Shares ('000) | 7668 | 7668 | 7625 | 7668 | 7625 | 7668 |
| | - % of the total shareholding of promoters and promoter group | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% | 100.0% |
| | - % of the total share capital of the Company | 44.1% | 44.1% | 43.8% | 44.1% | 43.8% | 44.1% |
| | PARTICULARS | Three Months Ended 30.09.2015 | | | | | |
| B. | INVESTOR COMPLAINTS | | | | | | |
| | Pending at the beginning of the quarter | Nil | | | | | |
| | Received during the quarter | Two | | | | | |
| | Disposed of during the quarter | Two | | | | | |
| | Remaining unresolved at the end of the quarter | Nil | | | | | |



For and on behalf of the Board

Tilak Dhar
TILAK DHAR

Chairman and Managing Director

Place : New Delhi
Dated : 06.11.2015

DCM SHRIRAM INDUSTRIES LIMITED

Segmentwise Revenue, Results and Capital Employed

(Rs./Lacs)

| S.No. | PARTICULARS | Three months ended | | | Six months ended | | Year ended |
|-------|--|--------------------|-------------|-------------|------------------|-------------|------------|
| | | 30.09.2015 | 30.06.2015 | 30.09.2014 | 30.09.2015 | 30.09.2014 | 31.03.2015 |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| 1. | Segment Revenue | | | | | | |
| | (a) Sugar * | 12636 | 17215 | 15421 | 29851 | 32325 | 65043 |
| | (b) Industrial Fibres and related products | 6508 | 6641 | 9053 | 13149 | 18141 | 35033 |
| | (c) Chemicals | 6871 | 6449 | 8086 | 13320 | 15754 | 29797 |
| | Total | 26015 | 30305 | 32560 | 56320 | 66220 | 129873 |
| | (d) Less : Inter segment revenue | 13 | 3 | | 16 | - | 23 |
| | Income from operations | 26002 | 30302 | 32560 | 56304 | 66220 | 129850 |
| 2. | Segment Results | | | | | | |
| | Profit / (Loss) before tax & finance costs | | | | | | |
| | (a) Sugar * | 950 | 10 | 316 | 960 | 1183 | (514) |
| | (b) Industrial Fibres and related products | 698 | 726 | 1227 | 1424 | 2844 | 4715 |
| | (c) Chemicals | 529 | 474 | 716 | 1003 | 1291 | 2742 |
| | Total | 2177 | 1210 | 2259 | 3387 | 5318 | 6943 |
| | (d) Less : i) Finance costs | 994 | 1089 | 1105 | 2083 | 2120 | 4067 |
| | ii) Other unallocable expenditure net of unallocable income | 355 | 381 | 465 | 736 | 899 | 1710 |
| | Total Profit / (Loss) before tax | 828 | (260) | 689 | 568 | 2299 | 1166 |
| 3. | Capital Employed | | | | | | |
| | (Segment assets - Segment liabilities) | | | | | | |
| | (a) Sugar * | 26623 | 31469 | 32464 | 26623 | 32464 | 37739 |
| | (b) Industrial Fibres and related products | 18744 | 18703 | 17692 | 18744 | 17692 | 18825 |
| | (c) Chemicals | 9433 | 8659 | 8315 | 9433 | 8315 | 9077 |
| | Total Segment Capital Employed | 54800 | 58831 | 58471 | 54800 | 58471 | 65641 |

* Comprising of sugar, power and alcohol.



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Notes:

- 1 In accordance with the accounting policy consistently followed by the Company, off-season expenditure aggregating Rs. 1809 lacs (corresponding previous six months Rs. 2154 lacs) has been deferred for inclusion in the cost of sugar to be produced in the remainder of the year and is considered as "Inventory" for these results.
- 2 During the quarter Govt. of Uttar Pradesh disbursed the full amount of subsidy of Rs. 4817 lacs due to the Company for sugar season 2014-15.
- 3 Proceedings in a Petition challenging the Preferential Issue of capital by the Company filed by a shareholder before the Hon'ble Company Law Board are continuing since November 2007.
- 4 Previous period figures have been regrouped / recast, wherever necessary.
- 5 The above results have been approved and taken on record by the Board of Directors in their meeting held on 6th November, 2015.
- 6 Statement of Assets and Liabilities is as under :-

| PARTICULARS | (Rs./Lacs) | |
|--|--|--|
| | Six Months Ended 30.09.2015 (Unaudited) | Year Ended 31.03.2015 (Audited) |
| A. EQUITY AND LIABILITIES | | |
| 1. Shareholders' Funds | | |
| (a) Share Capital | 1740 | 1740 |
| (b) Reserves and surplus | 21475 | 21094 |
| Sub-total – Shareholders' funds | 23215 | 22834 |
| 2. Non-current liabilities | | |
| (a) Long-term borrowings | 9821 | 8117 |
| (b) Deferred tax liabilities (Net) | 5580 | 5394 |
| (c) Other long-term liabilities | 102 | 188 |
| (d) Long-term provisions | 927 | 839 |
| Sub-total - Non-current liabilities | 16430 | 14538 |
| 3. Current liabilities | | |
| (a) Short-term borrowings | 18775 | 30403 |
| (b) Trade payables | 15742 | 24659 |
| (c) Other current liabilities | 5942 | 6407 |
| (d) Short-term provisions | 257 | 431 |
| Sub-total - Current liabilities | 40716 | 61900 |
| TOTAL – EQUITY AND LIABILITIES | 80361 | 99272 |
| B. ASSETS | | |
| 1. Non-current assets | | |
| (a) Fixed assets | 32460 | 32792 |
| (b) Non-current investments | 613 | 613 |
| (c) Long-term loans and advances | 3471 | 3342 |
| Sub-total - Non-current assets | 36544 | 36747 |
| 2. Current assets | | |
| (a) Current investments | 707 | 1242 |
| (b) Inventories (refer note 1) | 29739 | 42733 |
| (c) Trade receivables | 7889 | 9628 |
| (d) Cash and bank balances | 2659 | 686 |
| (e) Short-term loans and advances | 2810 | 4258 |
| (f) Other current assets | 13 | 3978 |
| Sub-total - Current assets | 43817 | 62525 |
| TOTAL – ASSETS | 80361 | 99272 |

Limited Review

The Limited Review, as required under Clause 41 of the Listing Agreement has been completed by the Statutory Auditors. The Limited Review Report for the quarter and six months ended 30th September, 2015 does not have any impact on the above Results and Notes in aggregate except in respect of matter explained in Note 1.