

DCM NOUVELLE

Annual Report
2019-20

DCM Nouvelle Limited



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CORPORATE INFORMATION

BOARD OF DIRECTORS

Dr. Meenakshi Nayar	-	Chairperson & Independent Director
Mr. Hemant Bharat Ram	-	Managing Director
Dr. Vinay Bharat Ram	-	Whole Time Director
Mr. Rakesh Goel	-	Executive Director- Textiles
Mr. Bipin Maira	-	Independent Director
Mr. Ravi Vira Gupta	-	Independent Director
Mr. Jitendra Tuli	-	Non Executive Director
Ms. Shahana Basu	-	Non Executive Director

Mr. Sandeep Kumar Jain	-	Chief Financial Officer
Mr. Kunal Agrawal	-	Company Secretary

Statutory Auditors

M/s. B S R & Co. LLP, Chartered Accountants
Building No. 10, 8th Floor,
Tower-B DLF Cyber City,
Phase-II Gurugram – 122 002, India
Telephone: +91 124 7191000
Fax: +91 124 235 8613

Banker

Punjab National Bank

Registered Office

DCM Nouvelle Limited,
CIN No: L17309DL2016PLC307204
407, Vikrant Tower, 04,
Rajendra Place, New Delhi-110 008,
India Tel: 91 1143678490

Registrar and Share Transfer Agent

Skyline Financial Services Private Limited,
D-153 A, First Floor, Okhla Industrial Area,
Phase –I, New Delhi-110 020,
Tel: 011-41044923,
Email: info@skylinerta.com

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 4th Annual General Meeting ("AGM") of DCM Nouvelle Limited ('the Company') will be held on Friday, September 25, 2020 at 11:00 A.M. IST through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

Item No. 1 – Adoption of financial statements.

To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2020, together with the Reports of the Auditors and the Board of Directors thereon.

Item No. 2 – Appointment of Director in place of Mr Jitendra Tuli (DIN: 00272930), who retires by rotation and being eligible, offers himself for re-appointment.

To consider and, if thought fit, to pass the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, read with Schedule IV of the said Act and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), consent of the members be and is hereby accorded for re-appointment of Mr. Jitendra Tuli (DIN : 00272930), as an Non-Executive Director of the Company who is of more than 75 years of age."

Item No 3- Appointment of Statutory Auditors to fill Casual Vacancy

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force),on recommendation of Audit Committee and Board of Directors, consent be and is hereby accorded for the appointment of M/s. Walker Chandiok & Co. LLP, Chartered Accountants, with Firm registration number 001076N/N500013, as the Statutory Auditors, to fill in the casual vacancy caused due to the resignation of M/s. B S R & Co. LLP, Chartered Accountants, Gurugram w.e.f. the conclusion of this Annual General meeting, for a period of five years commencing from the conclusion of this 4th Annual General Meeting until the conclusion of the 9th Annual General Meeting of the Company at a remuneration to be fixed by the Audit Committee in consultation with the Statutory Auditors.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things which may be deemed necessary and expedient to give effect to this resolution."

SPECIAL BUSINESS:

Item No. 4- Approval of the remuneration of the Cost Auditors of the Company for the Financial Year 2020-21

To consider and if thought fit, to pass the following Resolution, with or without modification, as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the recommendation of the Audit Committee and approval of the Board of Directors of the Company, the appointment of M/s. KG Goyal & Associates, Cost Accountants, Jaipur, as the Cost Auditor of the Company, to conduct the Cost Audit for the financial year to end on March 31, 2021 at a remuneration of Rs. 50,000/-(Rupees fifty thousand only) plus applicable taxes as may be applicable besides reimbursement of out of pocket expenses incurred by them in the conduct of such Audit, be and is hereby ratified and confirmed under section 148 of the Companies Act, 2013."

Registered Office:
Vikrant Tower,
4, Rajendra Place,
New Delhi – 110 008

By order of the Board of Directors
For DCM Nouvelle Limited

Sd/-
Kunal Agrawal
Company Secretary
ACS-35213

Date: August 06, 2020
Place : New Delhi

Notes:

1 In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.

2 An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Item Nos. 2, 3 and Item No. 4 the accompanying Notice is annexed hereto

3 Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.

4. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, September 19, 2020 to Friday, September 25, 2020 (both days inclusive).

5. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to pragnyap.pradhan@gmail.com with a copy marked to evoting@nsdl.co.in.

6. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send the details of such folios together with the share certificates for consolidating their holdings in one folio to the Company or Skyline Financial Services Private Limited ("Skyline"), D-153 A, First Floor, Okhla Industrial Area, Phase –I, New Delhi-110020, Tel: 011-41044923, Email: info@skylinerta.com and a consolidated share certificate will be issued to such Members after making requisite changes.

7. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include 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. who are allowed to attend the AGM without restriction on account of first come first served basis.

8. In case of joint holders attending the AGM through VC/OAVM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.

9. Pursuant to Regulation 39(4) of SEBI listing Regulations, members whose shares are being unclaimed or not received then members can claim their shares by sending the details of their folios to the Company or RTA i.e. Skyline, D-153 A, First Floor, Okhla Industrial Area, Phase –I, New Delhi-110020, Tel: 011-41044923, Email: info@skylinerta.com.

10. The members intending to seek any information on Annual Financial Statements or any matter placed/ to be placed at the meeting are requested to kindly write to the Company on or before September 24, 2020 through email on dcmnouvelleltd@gmail.com. The same will be replied by the Company suitably.

11. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.dcmnvl.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL https://www.evoting.nsdl.com.

12. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

13. As per Regulation 40 of SEBI Listing Regulations, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members are requested to get in touch with any Depository Participant ("DPs") having registration with SEBI to open a Demat account or alternatively, contact the Company or Company's Registrars and Transfer Agents, Skyline for assistance in this regard. You may visit website of depositories viz., NSDL or CDSL or websites of stock exchanges for further understanding about the demat procedure.

14. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Skyline in case the shares are held by them in physical form.

15. The Securities and Exchange Board of India ("SEBI") has mandated submission of Permanent Account Number ("PAN") by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar and Share Transfer Agent i.e. Skyline.

16. As per SEBI Listing Regulations, it is mandatory for the Company to print the bank account details of the investors in dividend payment instrument. Hence, you are requested to register/update your correct bank account details with the Company/ RTA/ DPs, as the case may be.

17. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to Skyline in case the shares are held in physical form.

18. As per the provisions of Section 72 of the Companies Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.dcmnvl.com. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to Skyline in case the shares are held in physical form.

19. Relevant documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection by the members at the Registered Office of the Company on all working days (except Saturdays, Sundays & Public Holidays) from 11.00 a.m. to 2.00 p.m. up to one day prior to date of the Meeting.

20. The relevant details as required under Regulations 26(4) and 36(3) of SEBI Listing Regulations, 2015 and Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI"), in respect of directors seeking appointment /re-appointment at this 4th AGM, forms integral part of this notice.

21. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

Voting through electronic means

I. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as voting by insta poll on the date of the AGM will be provided by NSDL.

II. Ms. Pragnya Parimita Pradhan, Company Secretary in Whole-Time Practice, Proprietor of M/s Pragnya Pradhan & Associates, Company Secretaries, has been appointed as the Scrutinizer to scrutinize the remote e-voting process and the voting at AGM in a fair and transparent manner.

III. The cut-off date for the purpose of voting (including remote e-voting) is Saturday, September 19,2020.

IV. The Members who have cast their vote by remote e-voting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

V. The remote e-voting facility will be available during the following period after which the portal shall forthwith be blocked and shall not be available:

Commencement of remote e-voting	09:00 a.m. (IST) on September 22, 2020
End of remote e-voting	05:00 p.m. (IST) on September 24, 2020

VI. During this period, Members holding shares either in physical form or in dematerialized form, as on Saturday, September 19, 2020 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC / OAVM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.

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

Step 1 : Log-in to NSDL e-Voting system at https://www.evoting.nsdl.com/

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:

   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

      (ii) In case you have not registered your email address with the Company/Depository, please follow instructions mentioned below in this notice.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN,your name and your registered address.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.

3. Select "EVEN" of company, which is 113484.

4. Now you are ready for e-Voting as the Voting page opens.

5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

6. Upon confirmation, the message "Vote cast successfully" will be displayed.

7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1 Institutional shareholders (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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to pragnyap.pradhan@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in or contact Ms. Pallavi Mhatre, Manager or Ms. Soni Singh, Asst. Manager, National Securities Depository Limited, Trade World, 'A' Wing, 4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013, at the designated email id – evoting@nsdl.co.in or pallavid@nsdl.co.in or SoniS@nsdl.co.in or at telephone nos.:- +91 22 24994545, +91 22 24994559, who will also address the grievances connected with the voting by electronic means.

Process for registration of email id for obtaining Annual Report and user id/password for e-voting and updation of bank account mandate:

1. In case shares are held in Physical mode, please send a request to the Registrar and Share Transfer Agents of the Company, Skyline at info@skylinerta.com providing Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) for registering email address.

   Following additional details need to be provided in case of updating Bank Account Details:

   a) Name and Branch of the Bank in which you wish to receive the dividend, if paid in the future.

   b) the Bank Account type,

   c) Bank Account Number allotted by their banks after implementation of Core Banking Solutions

   d) 9 digit MICR Code Number, and

   e) 11-digit IFSC Code

   f) a scanned copy of the cancelled cheque bearing the name of the first shareholder.

2. In case shares are held in demat mode, please contact your Depository Participant (DP) and register your email address and bank account details in your demat account, as per the process advised by your DP.

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM THROUGH VC/OAVM ARE AS UNDER: -

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting i.e. NSDL officials.

5. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access the same at https://www.evoting.nsdl.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further members can also use the OTP based login for logging into the e-Voting system of NSDL.

6. Members are encouraged to join the Meeting through Laptops for better experience.

7. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

8. 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.

9. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number at agm.speakers@dcmnvl.com from September 19, 2020 (9:00 a.m. IST) to September 21, 2020 (5:00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to express their views/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.

   Also, the members who would like to express their views/ have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at dcmnouvelleltd@gmail.com. The same will be replied by the company suitably.

OTHER INSTRUCTIONS:

1. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories, as on Saturday, September 19, 2020 i.e. cut-off date shall only be entitled to avail the facility of e-Voting system during the AGM.

2. The Scrutinizer shall, after the conclusion of voting at the Annual General Meeting, count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairperson or a person authorised by her/him in writing who shall counter sign the same.

3. The result shall be declared not later than 48 hours from conclusion of this Annual General Meeting. The result declared shall be communicated to BSE Limited, National Stock Exchange of India Limited, (NSDL), M/s Skyline Financial Services Private Limited (i.e. Registrar & Share Transfer Agent of the Company) and shall also be displayed on the website of the Company i.e. www.dcmnvl.com.

4. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on date of Annual General Meeting i.e. Friday, September 25, 2020.

EXPLANATORY STATEMENT PURSUANT TO PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 2

The Shareholders at the 3rd Annual General meeting of the Company held on April 27, 2019 had appointed Mr. Jitendra Tuli as Non-Executive Director, liable to retire by rotation, by way of Special Resolution pursuant to the provisions of Sections 149 and 152 and other applicable provisions, if any, of the Companies Act, 2013, and the Rules made thereunder, read with Schedule IV of the said Act and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulation")

Pursuant to the said SEBI Listing Regulations since Mr Jitendra Tuli is of more than 75 years of age consent of the shareholders by way of special resolution is required for his re-appointment.

Mr Jitendra Tuli has vast experience and wide knowledge about the nitty gritty of the business and corporate governance. The Board is of the view that his continuance as a director on the board would be beneficial for the Company. His profile and other details as required under Regulation 36(3) of SEBI Listing Regulations, 2015 and Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of India (ICSI) is appended herewith.

The Board of Directors recommends the resolution as set out under item no. 2 of this Notice for the approval of members of the Company.

Except Mr. Jitendra Tuli, none of the directors, key managerial personnel and their relatives are interested or concerned, financially or otherwise, in the aforesaid resolution as set out under item no 2.

ITEM No. 3

M/s. B S R & Co. LLP, Chartered Accountants, (Firm Registration No. 101248W/W-100022) were appointed as Statutory Auditors of the Company at the 3rd Annual General Meeting held on April 27, 2019 for a term of five years till the conclusion of 8th Annual General Meeting.

M/s. B S R & Co. LLP, Chartered Accountants, has tendered their resignation vide their resignation letter dated August 06, 2020 due to the commercial considerations, resulting into a casual vacancy in the office of Statutory Auditors of the Company as per section 139(8) of the Companies, Act, 2013.

In accordance with aforesaid provisions of the Act, the casual vacancy caused by the resignation of the Statutory Auditors shall be filled by the Board within a period of thirty days and such appointment shall also be approved by the members of the Company within three months of such appointment.

Accordingly, based on the recommendation of the Audit Committee and confirmation received from M/s Walker Chandiok & Co LLP, Chartered Accountants, with Firm registration number 001076N/N500013 on their eligibility, the Board recommends to the members the appointment of M/s Walker Chandiok & Co LLP, Chartered Accountants, with Firm registration number 001076N/N500013, as the Statutory Auditors of the Company to fill in the casual vacancy caused due to the resignation of M/s. B S R & Co. LLP, Chartered Accountants, Gurugram, for a period of five years commencing from the conclusion of this 4th Annual General Meeting until the conclusion of the 9th Annual General Meeting of the Company at a remuneration to be fixed by the Audit Committee in consultation with the Statutory Auditors. The proposed fees to the incumbent auditors would be in similar line with the outgoing auditors.

M/s Walker Chandiok & Co LLP, Chartered Accountants, with Firm registration number 001076N/N500013, have conveyed their consent for the appointment as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

In regards to appointment of Statutory Auditors referred to in item no. 3 of the Notice, the brief profile and credentials of the Auditors is as under:

M/s. Walker Chandiok & Co LLP, Chartered Accountants is one of leading Chartered Accountants firm, having its head office at New Delhi and running almost 13 associate offices across the country. One of the oldest Chartered Accountant firm in India. Registered with ICAI for more than 50 years. Established way back in 1935 and has seen more than 80 glorious years. Provides services in the areas of Audit, Assurance, Taxation, Accounting, Corporate Strategy and Market & Business Research.

The Board of Directors recommends the resolution as set out under item no. 3 of this Notice for the approval of members of the Company.

None of the directors, key managerial personnel and their relatives are interested or concerned, financially or otherwise, in the aforesaid resolution as set out under item no 3.

ITEM NO. 4

The Board of Directors of the Company, on recommendation of the Audit Committee, at its meeting held on August 6, 2020 has appointed M/s. KG Goyal & Associates, Cost Accountants, Jaipur as Cost Auditors for the financial year to end on March 31, 2021 at a remuneration of Rs. 50,000/- (Rupees fifty thousand only) plus taxes as may be applicable besides reimbursement of out of pocket expenses incurred by them in the conduct of such Audit.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records &; Audit), Rules, 2014, the remuneration payable to the Cost Auditors is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditors to conduct the cost audit for the financial year 2020-21.

Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year to end on March 31, 2021.

The Board of Directors recommends the resolution as set out under item no. 4 of this Notice for the approval of members of the Company.

None of the directors, key managerial personnel and their relatives are interested or concerned, financially or otherwise, in the aforesaid resolution as set out under item no 4.

Registered Office:
Vikrant Tower,
4, Rajendra Place,
New Delhi – 110 008

Date: August 06, 2020
Place : New Delhi

By order of the Board of Directors
For DCM Nouvelle Limited

Sd/-
Kunal Agrawal
Company Secretary
ACS-35213

PROFILE OF DIRECTOR SEEKING APPOINTMENT / RE-APPOINTMENT.

The particulars of the Director who are proposed to be appointed / re-appointed as required under Regulations 26(4) and 36(3) of SEBI Listing Regulations, 2015 and Secretarial Standards-2 on General Meetings issued by the Institute of Company Secretaries of India (ICSI), are as given below:

Name of the Director: **Mr Jitendra Tuli (DIN: 00272930)**

Date of Birth	20.09.1939
Relationship with other Directors and KMP's	None
Qualifications	B Com (Hon.), Post Graduate Diploma from London School of Journalism. Attended the School of Public Relations and communications at Boston University, USA
Experience and Expertise in specific functional areas.	He has around 55 years of varied experience in Communications, external relations, media management and social responsibility
Profile of the Director	He han been an editorial and communications consultant with World Health Organization, regional office for South East Asia, where he served as the Public Information Officer for Nineteen years. He has written for leading Newspapers and Magazines. He is deeply involved in the work for the less privileged ones, as trustee of Amarjyoti Charitable Trust and as founder member of Cancer Sehyog.
Terms & Conditions of appointment/re-appointment along with details of remuneration sought to be paid and last drawn by him	Non-Executive Director, liable to retire by rotation. He is entitled to remuneration only by way of sitting fee for attending meetings of Board of Directors and committees thereof.
Shareholding in the Company	NIL
Number of Board Meetings attended during the year	4 (for details please refer to the Corporate Governance Report, forming part of this Annual Report)
Date of first appointment on the Board.	23-04-2019
Directorship of other board as on March 31, 2020.	**Public Limited Companies** 1. DCM Limited
Membership / Chairmanship of Committees of Boards of Indian Companies as on March 31, 2020.	**Stakeholders Relationship Committee:** 1. DCM Nouvelle Limited -Chairman 2. DCM Limited-Member **Corporate Social Responsibility Committee:** 1. DCM Limited-Member

Registered Office:
Vikrant Tower,
4, Rajendra Place,
New Delhi – 110 008

Date: August 06, 2020
Place : New Delhi

By order of the Board of Directors
For DCM Nouvelle Limited

Sd/-
Kunal Agrawal
Company Secretary
ACS-35213

DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present their report and financial statements for the financial year ended March 31, 2020.

FINANCIAL DATA

(Rupees in Lacs)

Particulars	Financial Year ended March 31, 2020	Financial Year ended March 31,2019 (Restated) *
Profit before Interest, Depreciation and Tax	3,489.57	7,055.42
Less: a) Finance Cost	(1,186.41)	(1,442.77)
b) Depreciation	(1,647.23)	(1,700.72)
Profit before Tax	655.93	3,911.93
Less –a) Provision for tax	(224.36)	-
Profit after tax	431.57	3,911.93
Other Comprehensive income	3.02	(47.07)
Total Comprehensive income for the year	434.59	3,864.86
Add - Profit brought forward	7,541.27	3,676.41
Profit available for appropriation	7,975.86	7,541.27
Balance Profit carried forward	7,975.86	7,541.27

* Note: Post demerger and listing of shares of the Company, the financials for the financial year 2018-19 mentioned above are restated figures of the erstwhile Textiles division of DCM Limited for comparative purposes only. The National Company Law Tribunal ("NCLT"), vide its order dated May 01, 2019, approved the Scheme of Arrangement ('the Scheme') between DCM Limited and DCM Nouvelle Limited ('the Company'), for the demerger of the Textile Division of DCM Limited, on a going concern basis with effect from April 01, 2019 (i.e. the appointed date). Consequently, the assets and liabilities of the Textile Division of DCM Limited have been transferred to the Company with effect from the aforesaid appointed date , at their carrying values, determined in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.

COVID-19

The World Health Organization declared a global pandemic of the Novel Coronavirus disease (Covid-19) on February 11, 2020 and in order to contain the spread of Covid-19, the Government of India declared a lockdown situation on March 24, 2020 all over the country. In enforcing social distancing to contain the spread of the disease, our offices have been operating with minimal or no staff for extended periods of time. In keeping with its employee-safety first approach, the Company quickly instituted measures to trace all employees and assured of their well-being. The Manufacturing facility at Hisar had resumed its operations from the first week of May 2020, when lockdown was partially lifted after establishing thorough and well-rehearsed safety protocols. Proactive preparations were done in our work locations during this transition to ensure our offices were safe.

The good news for the stakeholders is that the Company is in a comfortable liquidity position due to various credit control measures as well as adequate banking limits being in place. The Company does not foresee incremental risk for recoverability of assets (Inventories, investments, Receivables, etc.) given the measures being taken to mitigate the risks.

The future impact on the business operations is difficult to assess at this point, as the crisis of the pandemic continues to accelerate and the situation remains volatile. However, barring unforeseen circumstances, the Company is confident about its ability to manage this crisis and come out of it slowly but steadily.

TRANSFER TO RESERVES

Yours directors do not propose to transfer any amount to the General Reserve out of the amount available for appropriation in the current year.

DIVIDEND

Considering the future needs of the Company for expansion and growth and to strengthen the financial position of the Company, your directors do not recommend any dividend for the financial year ended March 31, 2020.

STATEMENT OF COMPANY AFFAIRS.

During the year under review, the Profit Before Tax (PBT) decreased to Rs. 656 Lacs in the financial Year 2019-20 from Rs. 3912 Lacs in the previous financial Year 2018-19 on account of lower realization of cotton yarn prices due to US and China trade war, provision for reversal of TUFs subsidy and operational suspension on account of Covid19 in the last week of March, 2020.

Pursuant to the Scheme of Arrangement between DCM limited and DCM Nouvelle Limited which got sanctioned by Hon'ble NCLT, New Delhi vide order dated May 01, 2019, the entire

share capital held by the DCM Limited i.e. Rs 5,00,000 (50,000 equity shares with face value of Rs 10 each) as on appointed date i.e. April 01, 2019 in DCM Nouvelle Limited have been cancelled and as per the said scheme, the Company has allotted 18,677,749 number of equity shares of Rs.10 each to the shareholders of DCM Limited as on the Record Date i.e. May 31, 2019 in accordance with their respective entitlement in the Share Entitlement ratio of 1:1. The said equity shares got listed with BSE Ltd. and National Stock Exchange of India w.e.f from July 16, 2019.

BOARD MEETINGS

Nine (9) Board meetings were held during the financial year ended March 31, 2020. The dates of the meetings are as follows: March 23, 2019, March 24, 2019, May 02, 2019, May 15, 2019, June 04, 2019, August 07, 2019, August 26, 2019, November 05, 2019 and February 05, 2020. The intervening gap between the meetings was with in the period prescribed under the Companies Act, 2013.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

- Mr. Ashwani Singhal, director of the Company resigned effective from May 08, 2019
- Mr. Krishan Gopal Gupta, director of the Company resigned effective from May 21, 2019
- Mr. Vikas Singhal joined as a Company Secretary of the Company effective from May 05, 2019 and later resigned on July 19, 2019
- Mr. Hemant Bharat Ram was appointed as Managing Director effective from April 01,2019.
- Mr. Rakesh Goel was appointed as Whole-Time Director designated as Executive Director- Textiles of the Company effective from April 01, 2019.
- Mr. Sandeep Kumar Jain was appointed as Chief Financial Officer effective from May 15, 2019
- Mr. Kunal Agrawal was appointed as Company Secretary effective from August 07, 2019
- Dr. Vinay Bharat Ram was appointed as Whole Time Director effective from October 01, 2019.
- In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Jitendra Tuli, Director of the Company shall retire by rotation at the ensuing Annual General Meeting. Mr. Jitendra Tuli, being eligible, has offered himself for re-appointment. A Special resolution is proposed and forms part of the Notice seeking approval of the shareholders for his reappointment
- In pursuance to the provisions of Section 203 of the Companies Act, 2013, Mr. Hemant Bharat Ram-Managing Director, Dr Vinay Bharat Ram- Whole Time Director, Mr Rakesh Goel- Whole Time Director designated as Executive director- Textiles, Mr. Sandeep Kumar Jain- Chief Financial Officer and Mr. Kunal Agrawal -Company Secretary are the Key Managerial Personnel of the Company.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board / Committee of the Company.

DECLARATION FROM INDEPENDENT DIRECTORS

Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company.

COMPOSITION OF AUDIT COMMITTEE

The composition of the Audit Committee is given in the Corporate Governance Report. All recommendations of the Audit Committee have been accepted by the Board of Directors of the Company.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established a vigil mechanism for Directors and Employees to report their concerns about unethical behavior, actual or suspected, fraud or violation of the company's code of conduct or ethics policy, or any other grievance, the details of which are given in the Corporate Governance Report. The Whistle Blower Policy may be accessed on the Company's website on the link http://www.dcmnvl.com/downloads/files/n5d120c0347e99.pdf. During the year under review, no matter has been received under Whistle Blower Policy of the Company.

SEXUAL HARASSMENT

The Company has zero tolerance towards sexual harassment at the workplace. In order to comply with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace. All women employees either permanent, temporary or contractual are covered under the above policy. An Internal Complaint

Committee (ICC) has been set up in compliance with the said Act and the committee met on quarterly basis to discuss any issues in this regard. During the year under review, no complaints pertaining to sexual harassment of women employees were reported to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- the appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended March 31, 2020.
- the proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the annual accounts have been prepared on an on-going concern basis.
- being the first year of operations post demerger as an Independent listed entity, the Company is in the process of establishing its internal financial controls over financial reporting with reference to these financial statements on criteria based on or considering the essential components of internal controls as described in the Guidance Note issued by the Institute of Chartered Accountants of India ("Guidance Note"). and
- the proper systems had been devised to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company has no subsidiaries or associate companies. The Company also does not have any joint venture.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return for the year ended March 31, 2020, in Form MGT- 9, as required under Section 92 of the Act, is annexed as **Annexure-I** which forms an integral part of this Report and is also available on the Company's website viz. www.dcmnvl.com

STATUTORY AUDITORS' REPORT

M/s. B S R & Co. LLP, Chartered Accountants, were appointed as Statutory Auditors at the third Annual General Meeting (AGM) of the Company held on April 27, 2019, for a term of five consecutive years from the conclusion of the third Annual General Meeting till the conclusion of the eight Annual General Meeting.

M/s. B S R & Co. LLP, Chartered Accountants, has tendered their resignation vide their resignation letter dated August 06, 2020 due to the commercial considerations, resulting into a casual vacancy in the office of Statutory Auditors of the Company as per section 139(8) of the Companies, Act, 2013.

Accordingly, based on the recommendation of the Audit Committee and confirmation received from M/s Walker Chandiok & Co LLP, Chartered Accountants, with Firm registration number 001076N/N500013 on their eligibility, the Board recommends to the members the appointment of M/s Walker Chandiok & Co LLP, Chartered Accountants, with Firm registration number 001076N/N500013 , as the Statutory Auditors of the Company to fill in the casual vacancy caused due to the resignation of M/s. B S R & Co. LLP, Chartered Accountants, Gurugram, for a period of five years commencing from the conclusion of this 4th Annual General Meeting until the conclusion of the 9th Annual General Meeting of the Company at a remuneration to be fixed by the Audit Committee in consultation with the Statutory Auditors. The proposed fees to the incumbent auditors would be in similar line with the outgoing auditors.

M/s Walker Chandiok & Co LLP, Chartered Accountants, with Firm registration number 001076N/N500013, have conveyed their consent for the appointment as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made by the members, would be within the limits prescribed under the Companies Act, 2013.

The report given by M/s. B S R & Co. LLP, Chartered Accountants, on the financial statement of the Company for the year 2019-20 is part of the Annual Report. The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comment. The Auditors' Report does not contain any qualification, reservation or adverse remark. However, they have disclaimed on Internal Financials Controls to form an opinion considering that the Company is in the process of establishing its internal financial controls over financial reporting with reference to these financial statements on criteria based on or considering the essential components of internal controls as described in the Guidance Note.

Your directors are of the view that being the first year of operations post demerger as an Independent listed entity, the Company is in the process of establishing its internal financial controls over financial reporting with reference to these financial statements on criteria based on or considering the essential components of internal controls as described in the said Guidance Note.

No instances or matters of fraud have been reported by the Auditors to the Audit Committee or the Board.

SECRETARIAL AUDITOR

The Board has appointed M/s Pragyna Pradhan and Associates, Practicing Company Secretaries, to conduct Secretarial Audit for the financial year 2019-20. The Secretarial Audit Report for the financial year ended March 31, 2020, is annexed as **Annexure-II** and forms an integral part of this Report

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. covered under the Secretarial Audit. The Secretarial Audit Report do not contain any qualification, reservation or adverse remark.

COST AUDITOR

As per the requirements of the Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company is required to maintain cost records and accordingly, such accounts are made and records have been maintained every year.

The Board has appointed, M/s. KG Goyal & Associates Cost Accountants, as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ended March 31, 2020. The Cost Auditor has given the Cost Audit Report for the financial year ended March 31, 2020, and the Cost Audit Report does not contain any qualification, reservation or adverse remark.

Pursuant to Section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Amendment Rules, 2014, the Directors on the recommendation of the Audit Committee, have re-appointed M/s. KG Goyal & Associates Cost Accountants, to audit the cost accounts of the Company for the financial year ending March 31 2021 on a remuneration of Rs. 50,000/- plus GST & out of pocket expenses , if any.

As required under the Companies Act, 2013, the remuneration payable to the cost auditor is required to be placed before the Members in a general meeting for their ratification. Accordingly, a resolution seeking Member's ratification for the remuneration payable to M/s. KG Goyal & Associates, Cost Accountants for the financial year ending March 31 2021, is proposed in the Notice convening the Annual General Meeting.

DEPOSITS

During the year under review, the Company has not accepted any deposit under Chapter V of the Companies Act, 2013.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in the future.

INTERNAL FINANCIAL CONTROL SYSTEMS

Being the first year of operations post demerger as an Independent listed entity the Company is in the process of establishing its internal financial controls over financial reporting with reference to the financial statements on criteria based on the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

PARTICULARS OF LOANS GIVEN, INVESTMENTS MADE, GUARANTEES GIVEN AND SECURITIES PROVIDED

During the year under review, the Company has not given any loan nor made investment nor given guarantees under Section 186 of the Companies Act, 2013.

RISK MANAGEMENT

The Company has established a Risk Management Framework which gives a holistic approach for identification, evaluation and mitigation of business risks and opportunities. This framework which includes Risk Management policy helps establish ownership throughout the organization and embed risk management as an integral part of the business, and its goals and objectives. It helps the decision makers of the organization effectively recognize and to take account of uncertainty, the nature of that uncertainty, and to work towards a solution to address the same. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The Audit Committee is overseeing the risk management framework which includes the following:

- An overview of the risk management process in place;
- Key observations on the status of risk management activities during the quarter, including any new risks identified and action taken w.r.t these risks;
- Status of effectiveness of implementation of the mitigation plan for key risks

- List of applicable risks for the business, highlighting the new risks identified, if any and the action taken w.r.t the existing and new risks;
- Root causes and mitigation plans for the Key Risk
- Status of effectiveness of implementation of mitigation plans for the Key Risks identified till date.

Any findings or any identification of Risks is reviewed by Audit Committee and sent to the Board of Directors for their consideration. During the year, in the opinion of the Board there has been no identification of elements of risk that may threaten the existence of the Company.

SCHEME OF ARRANGEMENT

During the year under review, the Scheme of Arrangement between DCM Limited and the Company and their respective Shareholders and Creditors ('**Scheme**') had been approved by the National Company Law Tribunal, Principal Bench, Delhi ("**NCLT**") vide its order dated May 1, 2019. The appointed date was April 01, 2019. Pursuant to the aforesaid Scheme, the Board of Directors of the Company, at its meeting held on June 04, 2019 had allotted 18,677,749 number of equity shares of Rs.10/- each to the shareholders of DCM Limited. The said equity shares were listed with BSE Ltd. and National Stock Exchange of India Ltd. with effect from July 16, 2019. Aforesaid order of NCLT is available at Company's website http://www.dcmnvl.com/downloads/files/n5d120ed446348.pdf

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company is committed to operate in an economically, socially and environmentally sustainable manner, while recognizing the interests of its stakeholders. This commitment is beyond statutory requirements.

Corporate Social Responsibility is, therefore, closely linked with the practice of Sustainable Development. Corporate Social Responsibility extends beyond philanthropic activities and reaches out to the integration of social and business goals.

The Company has a duly constituted CSR Committee, which is responsible for fulfilling the CSR objectives of the Company. As on March 31, 2020, the Committee comprised three Directors viz. Mr. Hemant Bharat Ram, Dr Meenakshi Nayar and Mr Rakesh Goel. Mr Hemant Bharat Ram is the Chairman of the CSR Committee.

CSR POLICY

The Company has in place a CSR policy which lays down its philosophy and approach towards CSR commitment. For doing so, the Company would define an annual budget, select CSR initiatives, select geography, work with either its own CSR team or partner with like-minded individuals and organizations. In addition, the company would utilize the skills of vast majority of Employee talents that the company has in accomplishment of its CSR vision.

The CSR Policy may be accessed on the Company's website on the ink http://www.dcmnvl.com/downloads/files/n5d120ad2cf654.pdf

The CSR Policy has been formulated pursuant to the provisions of Section 135(3)(a) of the Act, Schedule VII of the Act and the rules made there under.

The Annual report on CSR activities for the financial year 2019-20, containing particulars specified in Companies (CSR Policy) Rules, 2014 including an update on the CSR initiatives taken by the Company during the year is annexed as **Annexure - III** and forms an integral part of this Report

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

The Particulars of contracts or arrangements with related parties referred to in Section 188(1) of the Companies Act, 2013, in the prescribed Form AOC-2, is annexed as **Annexure IV** and forms an integral part of this report. The policy on materiality of related party transactions as approved by the Board may be accessed on the Company's website at http://www.dcmnvl.com/downloads/files/n5d120c0ea49d0.pdf

FORMAL ANNUAL EVALUATION

The Board of Directors has carried out an Annual Performance Evaluation of its own, Board Committees and Individual Directors pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration committee has approved the criteria for evaluating the performance of Board as a Whole, Chairperson and Individual Directors on the basis such as qualification, experience, knowledge, competency, availability, attendance, commitment and contribution of the Individual Director to the Board and Committee meetings.

Also, in a separate meeting of Independent Directors held on June 10, 2020, the performance of Non-Independent Directors, Board as a whole and the Chairperson were evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee, approved a policy for selection and

appointment of Directors, Key Managerial Personnel, Senior Management and for determining their remuneration. The Policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on the website of the Company, at http://www.dcmnvl.com/downloads/files/n5d120a5dd8c62.pdf

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Information as per Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, and forming part of the Directors' Report.

(i) The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year 2019-20 is as under: -

S. No	Name of The Director	Ratio of Remuneration of each director / to median remuneration of employees
Executive Directors		
1	Mr. Hemant Bharat Ram- Managing Director	99.41
2.	Dr Vinay Bharat Ram- Whole Time Director	95.37
3.	Mr. Rakesh Goel- Whole Time Director	98.88
Non-Executive Directors		
1	Dr. Meenakshi Nayar	Not Applicable *
2	Mr. Bipin Maira	
3	Mr. Ravi Vira Gupta	
4	Ms. Shahana Basu	
5	Mr. Jitendra Tuli	

* All the Non-Executive Directors of the Company were paid only sitting fee for attending meetings of the Board/ Committees of Board of Directors. Therefore, the said ratio of remuneration of each Non-Executive Director to median remuneration of the employees of the company is not applicable.

ii. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year.

The remuneration has been paid to the directors and KMP's only for the financial year 2019-20. Hence, FY 2019-20 being the first year as Standalone listed entity, this sub rule is not applicable.

iii. During the financial year 2019-20, the percentage increase in the median remuneration of employees is: 5.25%

iv. The number of permanent employees on the rolls of company as on March 31, 2020 is: 1636

v. Average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

The average annual percentile increases in the salaries of employees other than the managerial personnel during the FY 2019-20 over FY 2018-19 was around 7.48%.

vi. Affirmation that the remuneration is as per the remuneration policy of the company.

The Company affirms that the remuneration is as per the remuneration policy of the Company.

In terms of provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, a statement showing the names and other particulars of the top ten employees and employees drawing remuneration in excess of the limits set out in the said rules is annexed as **Annexure - V** and forms an integral part of this Report.

CORPORATE GOVERNANCE

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), a Report on Corporate Governance and Management Discussion and Analysis Report are attached with this Report.

A Certificate from Practising Company Secretary regarding the Compliance by the Company of the conditions stipulated in Regulations Part C of Schedule V of the Listing Regulations is also attached with this report.

A declaration by the Managing Director pursuant to Regulations Part C of Schedule V of the Listing Regulations stating that all the Board Members and Senior Management Personnel of the

Company have affirmed compliance with the Code of Conduct, during the financial year ended March 31, 2020, is also attached with this report.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

(A) CONSERVATION OF ENERGY

i. The steps taken or impact on conservation of energy

Conservation of energy is an essential step towards overcoming energy crisis, environmental degradation and global competitiveness. The Company is giving due importance to conservation of energy and makes continuous efforts to conserve energy by effecting process and machinery modifications, implementation of technological advancements, development of newer methods, energy audit, proper and timely maintenance etc., amongst others. These measures lead to savings in terms of energy, money and time.

Besides continuing the measures taken in earlier years, following additional steps were taken during the year 2019-20 with a view to reduce cost of energy and consequently, the cost of production:

- Modified Seiger cooling tower motor with temperature controller;
- Replaced high head pump with low head pump for water lifting at water works;
- Reduced suction pressure of Auto Coner machines;
- Installation of inverter on Ring Frame machines to control frequency to save energy of Pneuma fans and main drive.

Green Energy – Clean Energy

The Company produced 27.35 lacs units for in-house consumption through solar power plant during the previous financial year. Solar power is clean green electricity sourced from sunlight. Solar energy is a renewable free source of energy that is sustainable and totally inexhaustible, unlike fossil fuels that are finite. It is also a non-polluting source of energy and it does not emit any greenhouse gases when producing electricity. We are under process to increase solar power plant capacity

(ii) The steps taken by the Company for utilizing alternate sources of energy

The Company had started to install 355 KWp solar power plant during financial year 2019-20 and has completed the Installation in first quarter of financial year 2020-21

(iii) The capital investment on energy conservation equipment's- Nil

(B) TECHNOLOGY ABSORPTION

i. The efforts made towards technology absorption- Nil

ii. The benefits derived like product improvement, cost reduction, product development or import substitution- NA

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- Nil

iv. The expenditure incurred on Research and Development- Nil

(C) FOREIGN EXCHANGE EARNINGS & OUTGO

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.

(Rupees in lacs)

Particulars	As on March 31, 2020
Foreign Exchange Earned	27296.65
Foreign Exchange Used	159.31

INDUSTRIAL RELATIONS

The Industrial Relations scenario continued to be cordial during the year under review.

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitment affecting the financial position of the Company, have occurred between the financial year ended on March 31, 2020, and the date of the report.

ACKNOWLEDGEMENT

The Directors wish to acknowledge the Central and State Governments and all regulatory bodies for their continued support and guidance. The Directors thank the shareholders, customers, business associates and banks for the faith reposed in the Company and its management. The Directors place on record their deep appreciation of the dedication and commitment of your Company's employees at all levels and look forward to their continued support in the future as well.

For and on behalf of the Board of DCM Nouvelle Limited

Dr Meenakshi Nayar
Chairperson
DIN: 06866256

Place: New Delhi
Date: August 06, 2020

ANNEXURE: I

To the Director's Report

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2020

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

(I)	**CIN NO.**	L17309DL2016PLC307204
(II)	**Registration Date**	October 17, 2016
(III)	**Name of the Company**	DCM Nouvelle Limited
(IV)	**Category/ Sub Category of the Company**	Company Limited by Shares/ Indian Non-government company
(V)	**Address of the Registered Office and Contact Details**	407, Vikrant Tower, 04, Rajendra Place, New Delhi-110008, India Phone- +91-11-43678490, Email: dcmnouvelleltd@gmail.com
(VI)	**Whether Listed Company**	Yes
	Name of the Stock Exchange where equity shares are listed.	National Stock Exchange of India Ltd (NSE), Mumbai Stock Code: DCMNVL
		BSE Ltd (BSE), Mumbai Stock Code- 542729
(VII)	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	Skyline Financial Services Private Limited D-153/A, Okhla Industrial Area, Phase-I, New Delhi 110020, India Tel. No.: +91-11-64732681-88 Email Id : info@skylinerta.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

S.No.	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of Cotton Yarn	13111	100%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY : NONE

S. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate Company	% of shares held	Applicable Section
1					
2			NONE		
3					
4					

IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

I) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (April 01, 2019)				No. of Shares held at the end of the year (March 31, 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters:-									
1. Indian									
a) Individual/HUF	-	60	60	0.12	9356163	-	9356163	50.09	49.97
b) Central Govt./ State Govt (s)	-	-	-		-	-	-		-
c) Bodies Corp.	-	49940	49940	99.88	-	-	-	-	(99.88)
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A) (1)	**-**	**50000**	**50000**	**100.00**	**9356163**	**-**	**9356163**	**50.09**	**(49.91)**
2. Foreign									
a) NRI's Individual	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub Total (A) (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	**-**	**50000**	**50000**	**100.00**	**9356163**	**-**	**9356163**	**50.09**	**(49.91)**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	18	65265	65283	0.35	0.35
b) Banks /FI	-	-	-	-	1618	3847	5465	0.03	0.03
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	1148512	-	1148512	6.15	6.15
g) Foreign Institutuional Investors	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital	-	-	-	-	-	-	-	-	-
i) Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
J) Foreign Institutional /Banks	-	-	-	-	-	-	-	-	-
K) Funds others (specify)	-	-	-	-	-	-	-	-	-
Sub Total (B) (1)	**-**	**-**	**-**	**-**	**1150148**	**69112**	**1219260**	**6.53**	**6.53**
2. Non Institutions									
a) Bodies Corporate									
1. Indian	-	-	-	-	1159457	14407	1173864	6.28	6.28
2. Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
1. Individual shareholders holding nominal share capital upto Rs.1 Lakh	-	-	-	-	2431509	476684	2908193	15.57	15.57
2. Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	-	-	-	-	2378853	10	2378863	12.74	12.74
c) Others (specify)									
(c-i) HUFs	-	-	-	-	711657	393	712050	3.81	3.81
(c-ii) Non Resident Indian	-	-	-	-	670444	3906	674350	3.61	3.61
(c-iii) Foreign National	-	-	-	-	-	-	-	-	-
(c-iv) Clearing members	-	-	-	-	18020	-	18020	0.10	0.10
(c-v) Trust	-	-	-	-	1365	-	1365	0.01	0.01
(c-vi) Foreign Bodies	-	-	-	-	-	-	-	-	-
(c-vii) NBFC Registered with RBI	-	-	-	-	3000	-	3000	0.02	0.02
(c-viii) IEPF	-	-	-	-	232621	-	232621	1.25	1.25
Sub Total (B) (2)	**-**	**-**	**-**	**-**	**7606926**	**495400**	**8102326**	**43.38**	**43.38**
Total Public Shareholding (B)= (B) 1 + (B) 2	**-**	**-**	**-**	**-**	**8757074**	**564512**	**9321586**	**49.91**	**49.91**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**		**-**
Grand Total A+B+C	**-**	**50000**	**50000**	**100**	**18113237**	**564512**	**18677749**	**100.00**	**-**

Note : In terms of the Scheme of Arrangement, the entire Share capital of Rs 5,00,000 (50,000 Equity Shares @ Rs 10 each) held by DCM Limited stands cancelled and the Company issued and alloted shares to the shareholders of DCM limited in the ratio of 1:1 which resulted in % Change in Shareholding.

(II) Change in Promoters' Shareholding (please specify, if there is no change)

S.No.	Shareholders Name	Shareholding at the beginning of the year (As on March 31, 2019)			Shareholding at the end of the year (As on March 31, 2020)			% of change in shareholding during the year
		No. of Shares	% of Total shares of the company	% of shares pledged/ encumbered to total shares	No. of Shares	% of Total shares of the company	% of shares pledged/ encumbered to total shares	
1	DCM Limited	49940	99.88	-	-	-	-	(99.88)
2	Mr. Hemant Bharat Ram	10	0.02	-	9332705	49.97	-	49.95
3	Mr. Rakesh Goel	10	0.02	-	-	-	-	(0.02)
4	Mr. Bir Chand Jataiwal	10	0.02	-	-	-	-	(0.02)
5	Mr Vivek Kaushal	10	0.02	-	-	-	-	(0.02)
6	Ms Poonam Sachdeva	10	0.02	-	-	-	-	(0.02)
7	Mr. Sudip Nandy	10	0.02	-	-	-	-	(0.02)
8	Mr. Sumant Bharat Ram	-	-	-	13806	0.07	-	0.07
9	Mr Rahil Bharat Ram	-	-	-	4852	0.03	-	0.03
10	Mr Yuv Bharat Ram	-	-	-	4800	0.03	-	0.03
11	Dr Vinay Bharat Ram	-	-	-	-	-	-	-
	Total	**50000**	**100.00**	**0.00**	**9356163**	**50.09**	**0.00**	**(49.91)**

Note : In terms of the Scheme of Arrangement , the entire Share capital of Rs 5,00,000 (50,000 Equity Shares @ Rs 10 each) held by DCM Limited stand cancelled and the Company issued and alloted shares to the shareholders of DCM limited in the ratio of 1:1 which resulted in % Change in Shareholding.

(III) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year (As on March 31, 2019)		Cumulative Shareholding during the year (April 01, 2019 to March 31, 2020)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	**Mr Hemant Bharat Ram- Managing Director**				
	At the beginning of the year	10	0.02	10	0.02
	(# Cancelled)	(10)	(0.02)	0	0.00
	26-07-19 (* Receipt)	9043126	48.42	9043126	48.42
	23-08-19	7800	0.04	9050926	48.46
	30-08-19	17200	0.09	9068126	48.55
	06-09-19	23600	0.13	9091726	48.68
	13-09-19	3726	0.02	9095452	48.70
	22-11-19	17500	0.09	9112952	48.79
	29-11-19	10844	0.06	9123796	48.85
	06-12-19	13257	0.07	9137053	48.92
	13-12-19	16134	0.09	9153187	49.01
	20-12-19	8162	0.04	9161349	49.05
	27-12-19	7021	0.04	9168370	49.09
	31-12-19	7112	0.04	9175482	49.13
	21-02-20	19189	0.10	9194671	49.23
	28-02-20	14602	0.08	9209273	49.31
	06-03-20	22730	0.12	9232003	49.43
	13-03-20	17953	0.10	9249956	49.52
	20-03-20	65449	0.35	9315405	49.87
	27-03-20	17300	0.09	9332705	49.97
	At the end of the year			9332705	49.97

Sl. No.		Shareholding at the beginning of the year (As on March 31, 2019)		Cumulative Shareholding during the year (April 01, 2019 to March 31, 2020)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
2	**Dr Vinay Bharat Ram- Whole time Director**				
	At the beginning of the year	-	-	-	-
	04-06-19 (** Allotment)	9043126	48.42	9043126	48.42
	26-07-19 (* Transfer)	(9043126)	(48.42)	-	-
	At the end of the year			-	-
3	**Mr Sumant Bharat Ram**				
	At the beginning of the year	-	-	-	-
	04-06-19 (** Allotment)	13806	0.07	13806	0.07
	At the end of the year			13806	0.07
4	**Mr Rahil Bharat Ram**				
	At the beginning of the year	-	-	-	-
	04-06-19 (** Allotment)	4852	0.03	4852	0.03
	At the end of the year			4852	0.03
5	**Mr Yuv Bharat Ram**				
	At the beginning of the year	-	-	-	-
	04-06-19 (** Allotment)	4800	0.03	4800	0.03
	At the end of the year			4800	0.03
6	**DCM Limited**				
	At the beginning of the year	49940	99.88	49940	99.88
	(# Cancelled)	(49940)	99.88	-	-
	At the end of the year			-	-
7	**Mr Rakesh Goel**				
	At the beginning of the year	10	0.02	10	0.02
	(# Cancelled)	(10)	0.02	-	-
	At the end of the year			-	-
8	**Mr. Bir Chand Jataiwal**				
	At the beginning of the year	10	0.02	10	0.02
	(# Cancelled)	(10)	0.02	-	-
	At the end of the year			-	-
9	**Mr Vivek Kaushal**				
	At the beginning of the year	10	0.02	10	0.02
	(# Cancelled)	(10)	0.02	-	-
	At the end of the year			-	-
10	**Ms Poonam Sachdeva**				
	At the beginning of the year	10	0.02	10	0.02
	(# Cancelled)	(10)	0.02	-	-
	At the end of the year			-	-
11	**Mr. Sudip Nandy**				
	At the beginning of the year	10	0.02	10	0.02
	(# Cancelled)	(10)	0.02	-	-
	At the end of the year			-	-

Notes

A) # Pursuant to the Scheme of Arrangement , the Exisiting Share capital of Rs 5,00,000 (50,000 Equity Shares @ Rs 10 each) stands Cancelled

B) * 9043126 Equity Shares were transferred by Dr Vinay Bharat Ram to Mr Hemant Bharat Ram by way of gift

C) ** Pursuant to Scheme of Arrangement the Board of directors at its meeting held on June 04, 2019 had issued and alloted shares to the existing shareholders of DCM Limited in the ratio of 1:1

D) The above information is based on the weekly beneficiory position received from depositories.

(IV) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (April 01, 2019)		Cumulative Shareholding during the year (April 01, 2019 to March 31, 2020)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	**M/s LIFE INSURANCE CORPORATION OF INDIA**				
	At the beginning of the year	-	-	-	-
	04-06-19 *	1148512	6.15	1148512	6.15
	At the end of the year			1148512	6.15
2	**Mr. KANWALJEET SINGH DHILLON**				
	At the beginning of the year	-	-	-	-
	04-06-19*	410000	2.20	410,000	2.20
	At the end of the year			410000	2.20
3	**M/s BHAVESH DHIRESHBHAI SHAH**				
	At the beginning of the year	-	-	-	-
	04-06-19*	206890	1.11	206890	1.11
	29-06-19	(78415)	(0.42)	128475	0.69
	30-06-19	78415	0.42	206890	1.11
	30-08-19	74800	0.40	281690	1.51
	20-03-20	(153215)	(0.82)	128475	0.69
	27-03-20	153215	0.82	281690	1.51
	At the end of the year			281690	1.51
4	**M/s. NIRMALBANG SECURITIES PVT LTD.**				
	At the beginning of the year	-	-	-	-
	02-08-19	33505	0.18	33505	0.18
	09-08-19	1495	0.01	35000	0.19
	30-08-19	99	0.00	35099	0.19
	06-09-19	2630	0.01	37729	0.20
	13-09-19	2271	0.01	40000	0.21
	20-09-19	10000	0.05	50000	0.27
	01-11-19	(49360)	(0.26)	640	0.00
	06-12-19	(240)	(0.00)	400	0.00
	13-12-19	(200)	(0.00)	200	0.00
	24-01-20	30509	0.16	30709	0.16
	31-01-20	(200)	(0.00)	30509	0.16
	07-02-20	192491	1.03	223000	1.19
	14-02-20	(38634)	(0.21)	184366	0.99
	21-02-20	51678	0.28	236044	1.26
	28-02-20	1250	0.00	237294	1.27
	20-03-20	(1250)	(0.00)	236044	1.26
	At the end of the year			236044	1.26
5	**INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY MINISTRY OF CORPORATE AFFAIRS**				
	At the beginning of the year	-	-	-	-
	04-06-19 *	232621	1.25	232621	1.25
	At the end of the year			232621	1.25
6	**Mr. SATPAL KHATTAR**				
	At the beginning of the year	-	-	-	-
	04-06-19*	200,000	1.07	200000	1.07
	At the end of the year			200000	1.07

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (April 01, 2019)		Cumulative Shareholding during the year (April 01, 2019 to March 31, 2020)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
7	**Mr ANIL KUMAR GOEL**				
	At the beginning of the year	-	-	-	-
	04-06-19 *	175,000	0.94	175000	0.94
	At the end of the year			175,000	0.94
8	**M/s SMS HOLDINGS PVT LTD**				
	At the beginning of the year	-	-	-	-
	04-06-19 *	14057	0.75	14057	0.75
	29-06-19	(125375)	(0.67)	15082	0.08
	30-06-19	125375	0.67	140457	0.75
	29-11-19	10000	0.05	150457	0.81
	20-03-20	(125375)	(0.67)	25082	0.13
	27-03-20	125375	0.67	150457	0.81
	At the end of the year			150457	0.81
9	**Mr. G. SHANKAR**				
	At the beginning of the year	-	-	-	-
	04-06-19 *	126,850	0.68	126,850	0.68
	16-08-19	200	0.00	127050	0.68
	23-08-19	1660	0.01	128710	0.69
	04-10-19	500	0.00	129210	0.69
	06-12-19	1600	0.01	130810	0.70
	03-01-20	500	0.00	131310	0.70
	14-02-20	1290	0.01	132600	0.71
	At the end of the year			132,600	0.71
10	**Mr. BHARAT JAMNADAS DATTANI**				
	At the beginning of the year	-	-	-	-
	04-06-19 *	114,418	0.61	114481	0.61
	At the end of the year			114418	0.61
11	**M/s M. G.SHARES AND STOCKS PVT. LTD.**				
	At the beginning of the year	-	-	-	-
	04-06-19*	120000	6.15	120000	6.15
	27-09-19	50000	0.27	170000	0.91
	20-12-19	30000	0.16	200000	1.07
	24-01-20	(15509)	(0.08)	184491	0.99
	31-01-20	7000	0.04	191491	1.03
	14-02-20	(127857)	(0.68)	63634	0.34
	21-02-20	(49678)	(0.27)	13956	0.07
	At the end of the year			13956	0.07
12	**M/s ANAND RATHI GLOBAL FINANCE LIMITED**				
	At the beginning of the year	-	-	-	-
	04-06-19 *	12,371	0.07	12371	0.07
	23-08-19	(20990)	(0.11)	102281	0.55
	30-08-19	(102281)	(0.55)	-	-
	At the end of the year			-	-

Note: -

A) * Pursuant to Scheme of Arrangement, the Board of directors at its meeting held on June 04, 2019 had issued and alloted shares to the existing shareholders of DCM Limited in the ratio of 1:1.

B) The above information is based on the weekly beneficiary position received from depositories.

C) ( ) Symbolize Sale of Shares and no bracket symbolize Purchase of shares

(V) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year (April 01, 2019)		Cumulative Shareholding during the year (April 01, 2019 to March 31, 2020)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
A	**DIRECTORS**				
1	**Dr Meenakshi Nayar***				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
2	**Mr Bipin Maira***				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
3	**Mr Ravi Vira Gupta***				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
4	**Mr Jitendra Tuli***				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
5	**Ms Shahana Basu***				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
6	**Mr Ashwani Singhal #**				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
7	**Mr Krishan Gopal Gupta ##**				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-

Notes *These directors were appointed w.e.f April 23, 2019
Mr. Ashwani Singhal had Resigned w.e.f May 08, 2019
Mr. Krishan Gopal Gupta had Resigned w.e.f May 21, 2019

Sl. No.		Shareholding at the beginning of the year (April 01, 2019)		Cumulative Shareholding during the year (April 01, 2019 to March 31, 2020)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
B	**Key Managerial Personnel**				
1	**Mr Rakesh Goel- Whole time Director (Designated as Executive Director-Textiles) #**				
	At the beginning of the year	-	-	-	-
	17-12-19	1000	0.01	1000	0.01
	At the end of the year	-	-	1000	0.01

Sl. No.		Shareholding at the beginning of the year (April 01, 2019)		Cumulative Shareholding during the year (April 01, 2019 to March 31, 2020)	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
2	**Mr Sandeep Kumar Jain- Chief Financial Officer #**				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
3	**Mr Kunal Agrawal- Company Secretary #**				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-
4	**Mr. Vikas Singhal- Company Secretary #**				
	At the beginning of the year	-	-	-	-
	Increase/Decrease during the year	-	-	-	-
	At the end of the year	-	-	-	-

 # Notes

1 Mr. Rakesh Goel was appointed w.e.f April 01, 2019

2 Mr. Sandeep Kumar Jain was appointed as Chief Financial Officer w.e.f May 15, 2019

3 Mr. Kunal Agrawal was appointed w.e.f August 07, 2019

4 Mr. Vikas Singhal had resigned w.e.f July 19, 2019

5 The details of increase/decrease in the shareholding of Mr. Hemant Bharat Ram and Dr Vinay Bharat Ram have been already disclosed in part III above

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Rupees in lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total
Indebtedness at the beginning of the financial year i.e. April 01, 2019				
i) Principal Amount	17,609.40	-	-	17,609.40
ii) Interest due but not paid	0	-	-	-
iii) Interest accrued but not due	94.17			94.17
iv) Impact of Ind AS	(1.61)	-	-	(1.61)
Total (i+ii+iii+iv)	**17,701.96**	**-**	**-**	**17,701.96**
Change in indebtedness during the financial year		**-**	**-**	
Addition	9,328.55	-	-	9,328.55
Reduction	(9,010.65)	-	-	(9,010.65)
Change in interest accrued but not due	(12.55)	-	-	(12.55)
Impact of Ind AS	0.51	-	-	0.51
Net Change	**305.86**	**-**	**-**	**305.86**
Indebtedness at the end of the financial year i.e. March 31, 2020				
i) Principal Amount	17,927.30	-	-	17,927.30
ii) Interest due but not paid	0.00	-	-	0.00
iii) Interest accrued but not due	81.62	-	-	81.62
iv) Impact of Ind AS	(1.10)	-	-	(1.10)
Total (i+ii+iii+iv)	**18,007.82**	**-**	**-**	**18,007.82**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rupees in lacs)

S.No.	Particulars of Remuneration	Mr Hemant Bharat Ram - Managing Director *	Mr Rakesh Goel Whole time Director, designated as Executive Director-Textiles	Dr Vinay Bharat Ram- Whole Time Director *	Total Amount
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	257.54	124.78	31.32	413.64
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	-	9.62	-	9.62
	(c) Profits in lieu of salary under section 17(3)of the Income-tax Act, 1961	-	-	-	-
2	Stock option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as% of profit	-	-	-	-
	others, specify.	-	-	-	-
	Total A	257.54	134.40	31.32	**423.26**
	Ceiling as per the Act	Rs 65.53 lacs (being 10% of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013)- The Company has passed special resolution(s) for payment of remuneration exceeding the ceiling to above directors by way of Postal Ballot			

*** Notes**

1 Mr. Hemant Bharat Ram was appointed as Managing Director w.e.f April 01, 2019

2 Dr. Vinay Bharat Ram was appointed as Whole Time Director w.e.f October 01, 2019

B. Remuneration to other directors:

(Rupees in lacs)

SL. No	Particulars of Remuneration	Name			Total Amount
1	Independent Directors	Dr Meenakshi Nayar	Mr. Bipin Maira	Mr Ravi Vira Gupta	
	(a) Fee for attending Board committee meetings	1.60	1.70	1.20	4.50
	(b) Commission				
	(c) Others				
	Total (1)	**1.60**	**1.70**	**1.20**	**4.50**

SL. No	Particulars of Remuneration	Name		Total Amount
1	Independent Directors	Mr Jitendra Tuli	Ms Shahana Basu	
	(a) Fee for attending Board committee meetings	0.90	0.40	1.30
	(b) Commission			
	(c) Others			
	Total (2)	**0.90**	**0.40**	**1.30**
	Total(B)=(1+2)			**5.80**
	Total Managerial Remuneration (A+B)	**429.06**		
	Overall Ceiling as per the Act	Rs 72.08 Lacs (being 11 % of the net profit of the Company calculated as per Section 198 of the Companies Act, 2013)- The Company has passed special resolution(s) for payment of remuneration exceeding the ceiling to the Executive directors by way of Postal Ballot		

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(Rupees in lacs)

S.No.	Particulars of Remuneration	Mr Sandeep Kumar Jain-Chief Financial Officer	Mr. Vikas Singhal-Company Secretary	Mr Kunal Agrawal-Company Secretary	Total Amount
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	33.92	1.99	4.40	40.31
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	3.39	-	-	3.39
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	as% of profit	-	-	-	-
5	others, specify.	-	-	-	-
	Total	**37.31**	**1.99**	**4.40**	**43.70**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NONE

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding Fees imposed	Authority (RD/ NCLT/COURT)	Appeal made if any (give details)
A COMPANY					
Penalty					
Punishment					
Compounding					
B DIRECTORS					
Penalty					
Punishment					
Compounding					
C OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

NONE

ANNEXURE: II

To the Directors' Report

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST March 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure requirements), Regulations, 2015, as amended]

To,
The Members,
DCM NOUVELLE LIMITED
407, Vikrant Tower,
4, Rajendra Place,
New Delhi-110008

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DCM NOUVELLE 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 there on.

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 to me digitally due to COVID19 pandemic, 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 31st March, 2020 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 **DCM NOUVELLE LIMITED** ("the Company") for the financial year ended 31st March, 2020 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;

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;

V. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 *(Not Applicable to the listed entity during the review period)*;

   e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 *(Not Applicable to the listed entity during the review 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;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 *(Not Applicable to the listed entity during the review period)*; and

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 *(Not Applicable to the listed entity during the review period)* ;

VI. We have relied on the systems/mechanism formed by the Company for compliances under other Applicable Acts, laws and regulations applicable to the Company and the management explanation in this regard. The list of major Acts, Laws and Regulations as applicable to the Company is given in Annexure –A

We have not examined compliance with applicable financial laws like Direct and Indirect Tax Laws, since the same have been subject to review by statutory financial audit and tax audit.

We have also examined compliance with the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

We have examined compliances of the Secretarial Standards issued by the Institute of Company Secretaries of India. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as 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 and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and 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.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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 year under review following specific events having a major bearing on the Company's affairs have been occurred:

National Company Law Tribunal, Principal Bench, Delhi ("NCLT") vide its order dated May 1, 2019 had approved the Scheme of Arrangement between DCM Limited and the Company and their respective Shareholders and Creditors. As per the said NCLT approval, the Company had allotted equity shares of Rs. 10 each to the shareholders of DCM Limited in the ratio of 1:1. The said equity shares of the Company were listed with BSE and NSE on July 16, 2019

For Pragnya Pradhan & Associates
Company Secretaries
Pragnya Parimita Pradhan
ACS No. 32778
C P No.: 12030
UDIN: A032778B000565090

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

Annexure A

a. Factories Act, 1948;
b. Industries (Development and Regulation) Act 1951;
c. Minimum Wage Act, 1948;
d. Employees Provident Fund & Miscellaneous Provisions Act, 1952;
e. Industrial Employment (Standing Orders) Act, 1946;
f. Inter –State Migrant Workman (Regulation of Employment and Condition of Services) Act, 1979;
g. Maternity Benefit Act, 1961;
h. Payment of Gratuity Act, 1972;
i. Payment of Wage Act, 1936;
j. Environment (Protection) Act, 1986;
k. Water (Prevention and Control of Pollution) Act, 1974;
l. The Legal Metrology Act, 2009.
m. Employees State Insurance Act, 1948
n. Payment of Bonus Act, 1965
o. The Contract Labour (Regulation and Abolition) Act, 1970
p. Air (Prevention and. Control of Pollution) Act, 1981

Annexure B

To
The Members,
DCM NOUVELLE LIMITED
407, Vikrant Tower,
4, Rajendra Place,
New Delhi-110008

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 test basis to ensure the correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.

(3) We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

(4) The Secretarial Audit report is neither as 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 Pragnya Pradhan & Associates
Company Secretaries
Pragnya Parimita Pradhan
ACS No. 32778
C P No.: 12030
UDIN: A032778B000565090

ANNEXURE: III

To the Directors' Report

ANNUAL 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.**	The Company has framed a CSR Policy in compliance with the provisions of the Companies Act,2013 and the same is placed on the Company's website and the web link for the same is: http://www.dcmnvl.com/policies-and-code.html
2.	**The Composition of the CSR Committee.**	1) Mr. Hemant Bharat Ram-Chairman 2) Dr. Meenakshi Nayar – Member 3) Mr. Rakesh Goel – Member
3.	**Average net profit / (loss) of the company for last three financial years (Rs. in Lakhs)**	(0.55) *
4.	**Prescribed CSR Expenditure (two percent, of the amount as in item 3 above)**	Nil
5.	**Details of CSR spent during the financial year 2019-20.** **(1) Total amount to be spent for the F. Y.** **(2) Amount unspent, if any :** **(3) Manner in which the amount spent during the financial year:**	 (1) Nil (2) Nil (3) Although it is not mandatory but the Company has voluntarily spent on CSR activities for the Company as per details mentioned below:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	**CSR project or activity identified**	**Sector in which the Project is covered**	**Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken**	**Amount outlay (budget) project or programs wise**	**Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or Programs. (2) Overheads:**	**Cumulative expenditure up to the reporting period**	**Amount spent: Direct or through implementing agency**
1	Amount Spent for Educational Initiatives (Secondary School at Hisar)	Promotion of educational activities	Hisar in the state of Haryana	Unbudgeted	Rs. 12.09 lacs	Rs. 12.09 lacs	Direct
	Total			**Unbudgeted**	**Rs. 12.09 Lacs**	**Rs. 12.09 Lacs**	

* The provisions of section 135 of the Companies Act, 2013 are not applicable to the Company for the year ended March 31, 2020 since the average net profit for last three years is negative. Post demerger and listing of shares of the Company, 2019-20 was the first year of operations, however the profitability for the financial year 2018-19 mentioned in the P&L accounts are restated figures of the erstwhile Textiles Division of DCM Limited for comparative purposes. Hence Company is not required to spend any amount for the purpose of CSR activities for the financial year ended March 31, 2020.

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount in its Board report. N.A

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and Policy of the Company.

Date: August 06, 2020
Place: New Delhi

Mr Rakesh Goel
Executive Director-Textiles

Mr. Hemant Bharat Ram
Chairman, CSR Committee

ANNEXURE: IV

To the Directors' Report

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	NIL
c)	Duration of the contracts/arrangements/transaction	NIL
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
e)	Justification for entering into such contracts or arrangements or transactions'	NIL
f)	Date of approval by the Board	NIL
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

2. Details of material contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details	
a)	Name (s) of the related party & nature of relationship	DCM Limited- an entity in which directors were having Common Control	The Delhi Golf Club- an entity in which director was interested.
b)	Nature of contracts/ arrangements/transaction	a) Transfer of net assets under the scheme of arrangement between DCM Limited and DCM Nouvelle Limited. b) Purchase of property, plant and equipment c) Amount paid for acquisition of rights in property d) Business support services	Advertisement services
c)	Duration of the contracts/ arrangements/transaction	N.A.	7 years
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	a) Rs. 14924.08 Lacs b) Rs 1400 Lacs c) Rs 801.50 Lacs d) Rs 72.90 Lacs	Rs 42.50 Lacs
e)	Date of approval by the Board	The Board of directors in their meeting held on May 15, 2019 and June 25, 2020 had noted and approved the transactions.	The Board of directors in their meeting held on August 26, 2019 had noted and approved the transaction.
f)	Amount paid as advances, if any	None	

For and on behalf of the Board of DCM Nouvelle Limited

Dr Meenakshi Nayar
Chairperson
DIN: 06866256

Place: New Delhi
Date: August 06, 2020

ANNEXURE: V

To the Directors' Report

i. Statement of Particulars of Employees pursuant to Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Name	Age (Year)	Designation	Qualification	Total Experience (Year)	Date of Commencement of employment	Remuneration received (Rs. In lacs)	Particulars of last Employment	% age of Equity Shares held in the Company
A.	**Employed throughout the year**								
1	Mr. Hemant Bharat Ram	54	Managing Director	B.S. (Math & Comp. Sc.), MS (IA)	29	April 1, 2019	257.54	DCM Ltd.	49.97
2	Mr. Rakesh Goel	63	Whole Time Director	M.B.A.	40	November 23, 1990	134.40	Hafed Spinning Mills	0.01
3	Mr. Sudip Nandy	50	Asst. Vice President	B. Tech. (Textiles)	27	February 28, 2008	39.83	Arihant Spinning Mill, Malerkotla	Nil
4	Mr. Sandeep Kumar Jain	47	Chief Financial officer	Chartered Accountant, L.L.B., M. Com.,	22	January 15, 2007	37.31	S.A.P. Ltd. Meerut.	Nil
5	Mr. Vivek Kaushal	49	Sr. General Manager (marketing & Purchase	M.B.A.	27	December 8, 1995	35.99	Nahar Export Limited, Ludhiana	Nil
6	Mr. Jai Singh Rahar	62	General Manager	B.Com.	40	July 1, 1999	32.40	Orient Syntex	Nil
7	Mr. Bir Chand Jataiwal	50	General Manager	B. Tech.	28	October 13, 2007	28.04	Rana Polycot Ltd, Punjab	Nil
8	Mr.Pratap Bahadur Singh	49	General Manager	BA, MSW, LLB	25	January 19, 2009	27.98	Maya Export Corporation, Delhi	Nil
9	Mr. Harish Kumar Arora	43	Senior Manager	B. Tech	22	November 17, 1999	20.20	Vardhman Group	Nil
B.	**Employed for Part of the year**								
10	Dr. Vinay Bharat Ram	84	Whole Time Director	B.A. (Hons.) Economics, University of Delhi, MBA, Michigan University (Ann Arbor), Management Development Programme, Harvard University, Ph.D. in Economics from University of Delhi	58	October 1,2019	31.32	DCM Ltd.	Nil

Note:

1. Remuneration include basic salary, contribution to provident and superannuation funds, allowances and taxable value of perquisites.
2. Dr. Vinay Bharat Ram is the father of Mr. Hemant Bharat Ram hence both are relatives.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate governance at DCM Nouvelle Limited ("Company") is a value-based framework to manage our Company affairs in a fair and transparent manner. As a responsible corporate citizen, we use this framework to maintain accountability in all our affairs and employ democratic and open processes by putting in place the procedures and systems which are in accordance with best governance practices. We are adopting applicable guidelines and best practices to ensure timely and accurate disclosure of information regarding our financials, performance and governance of the Company. We review our corporate governance practices periodically against the backdrop of the latest developments in the corporate arena, thereby endeavoring to conform to the highest standards of corporate governance practices and committed to the pursuit of excellence in all its activities and to maximize shareholders' confidence and wealth.

The Company's corporate governance policies and practices are founded on the following principles:

1. To recognize the respective roles and responsibilities of the Board and Management
2. To achieve the highest degree of transparency by maintaining the optimum level of disclosure.
3. To ensure and maintain high ethical standards in all areas of the Company's functioning
4. To render high importance to investor relations
5. To ensure adequate risk management system and internal controls
6. To ensure that employees of the company subscribe to the corporate values and apply them in their conduct
7. To ensure that the decision making process is fair and transparent

2. BOARD OF DIRECTORS

a) Composition of Board

As on March 31, 2020, the Board of Directors consists of 8 (Eight) members comprising of 3 (three) Executive Directors and 5 (Five) Non-Executive Directors including 3 (three) Independent Directors and 2 (two) women Directors. The composition of the Board of Directors of the Company is in conformity with Section 149(1) of the Companies Act, 2013 read with Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (Listing Regulations).

The Chairperson of the Board is a Non-Executive Director. The Chairperson, the Executive Director-Textiles, and the Independent Directors of the Company are appointed for a fixed term and are not liable to retire by rotation. All other Directors are liable to retire by rotation.

b) All the Board Members meet the criteria of number of Directorship(s), Committee Membership(s) / Chairmanship(s) they hold which are within the respective limits prescribed under the Act and the Listing Regulations.

None of the Independent Directors of the Company serve as an Independent Director in more than seven listed Companies as prescribed under Regulation 17 of the Listing Regulations.

Necessary disclosures required to be made by the Board members have been timely made by them.

c) Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation16(1)(b) of the Listing Regulations and that they are independent of the management.

During the year under review, no Independent Director has resigned from the Board of Directors of the Company.

d) Nine (9) Board meetings were held during the financial year ended March 31, 2020. The dates of the meetings are as follows: March 23, 2019, March 24, 2019, May 02, 2019, May 15, 2019, June 04, 2019, August 07, 2019, August 26, 2019, November 05, 2019 and February 05, 2020. The time gap between two consecutive Board meetings was not more than one hundred and twenty days. The necessary quorum was present for all the meetings

e) The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM"), name of other listed entities in which the Director is a Director and the number of Directorships and Committee Chairmanships / Memberships held by them in other public limited Companies including listed Companies, as on March 31, 2020, are given herein below. Further, none of them is a member of more than ten Committees or Chairman of more than five Committees across all the public Companies in which he/she is a Director.

NAME OF THE DIRECTOR AND CATEGORY

Name of the Director and Category	No. of Board Meetings Attended	Attend-ance at the last AGM	Number of Directorships in other public companies (A)		Number of Committee positions held in other public companies (B)		Directorship in other listed entity (category of Directorship)
			Chairperson	Member	Chairperson	Member	
Dr Vinay Bharat Ram (Executive /Whole time Director/) (1) DIN: 00052826	2	N.A	1	1	Nil	Nil	DCM Limited-Chairman
Mr. Hemant Bharat Ram (Executive/ Managing Director) DIN: 00150933	7	Yes	Nil	1	Nil	Nil	None
Mr. Rakesh Goel (Executive/ Whole time Director) DIN: 00226058	8	Yes	Nil	1	Nil	Nil	None
Dr. Meenakshi Nayar (Non-Executive/ Chairperson/ Independent/) DIN:06866256	8	Yes	Nil	Nil	Nil	Nil	None
Mr. Bipin Maira (Non-Executive /Independent) DIN: 05127804	8	Yes	Nil	2	Nil	Nil	DCM Limited-Non-Executive /Independent Director
Mr. Ravi Vira Gupta (Non-Executive/ Independent) DIN:00017410	7	Leave sought	Nil	2	Nil	Nil	1. DCM Limited- Non-Executive / Independent Director 2. The Delhi Safe Deposit Company Limited- Non-Executive / Independent Director
Mr. Jitendra Tuli (Non-Executive) DIN: 00272930	4	Yes	Nil	1	Nil	Nil	DCM Limited- Non-Executive / Non-Independent Director
Ms. Shahana Basu (Non-Executive) DIN: 07137715	4	Leave sought	Nil	1	Nil	1	Voith Paper Fabrics India Limited - Non-Executive / Independent Director

Notes:

(1) Appointed by the shareholders as a Whole Time Director through postal ballot on October 01, 2019.

(A) Other directorships do not include directorships of private limited companies, foreign companies and companies registered under Section 8 of the Act.

(B) Only covers Membership / Chairmanship of Audit Committee and Stakeholders Relationship Committee of public limited companies as per Regulation 26(1) (b) of Listing Regulations.

Note: Mr. Ashwani Singhal and Mr. Krishan Gopal Gupta resigned as Director of the Company w.e.f. May 08, 2019 and May 21, 2019 respectively.

f) During the year 2019-20, information as mentioned in Part A of Schedule II of the Listing Regulations, has been placed before the Board for its consideration.

g) The Board periodically reviews the compliance reports of all laws applicable to the Company.

h) None of the Non- Executive Directors was holding shares as on March 31, 2020, in the share capital of the Company

i) The Company has not issued any convertible instruments during the year ended March 31, 2020.

j) Relationships between Directors inter-se as given below:

None of the Directors had relationships inter-se, except Dr. Vinay Bharat Ram is the father of Mr. Hemant Bharat Ram.

k) The Board Members are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize themselves with the Company's procedures and practices. Directors are periodically advised about the changes effected in Corporate Laws, listing Regulations with regard to their roles, rights and responsibilities as a Director of the Company.

The familiarisation programme along with details of the same imparted to the Independent Directors are available on the website of the Company i.e. http://www.dcmnvl.com/downloads/files/n5e9fd530b46cd.pdf

l) The Board of Directors of the Company comprises of qualified and experienced members who possess required skills, expertise and competence that enable them to make effective contributions in the decision-making process of the Board and its Committees.

The following skills / expertise/ competencies have been identified for the effective functioning of the Company and are currently available with the Board of Directors: -

Skills/Expertise/ Competency	Description
Leadership	Experience of playing leadership roles in large businesses, with strong competencies around strategy development and implementation, business administration, Human Capital Development and people management.
Versatility	Experience and exposure in multiple industries with a balanced approach to the dynamic business environment. A multi discipline and seasoned professional.
Industrial Experience	Strong knowledge and experience in Textile industry and research and / or in managing business operations of a sizeable Textile organization.
Financial Acumen	Practical knowledge and experience in corporate finance, financial accounting and reporting and internal financial controls, including strong ability to assess financial impact of business decision making and ensure profitable and sustainable growth with Micro and Macro Economic expertise.
Governance	Board-level experience in reputed organizations, with strong understanding of and experience in directing the management in the best interests of the company and its stakeholders and in upholding high standards of governance.
Technology	Ability to understand and adapt to technological trends in manufacturing and business operations and experience in directing successful development / implementation of technological innovations and improvements (including IT infrastructure and applications).

In the Table below, list of skills/expertise/ competencies of Individual board members have been mentioned:

Name of the director	Skills/expertise/competency
Dr. Vinay Bharat Ram	Leadership, versatility, Industrial Experience, Financial Acumen, and Governance.
Mr. Hemant Bharat Ram	Industrial Experience, Leadership, Financial Acumen, Governance, Technology and versatility.
Dr. Meenakshi Nayar	Leadership, Versatility, Financial Acumen and Governance
Mr. Rakesh Goel	Leadership, Financial Acumen, Versatility, Industrial Experience, Governance and Technology.
Mr. Ravi Vira Gupta	Leadership, Versatility, Financial Acumen and Governance.
Mr. Bipin Maira	Financial Acumen, Leadership, Versatility, Governance and Industrial Experience
Mr. Jitendra Tuli	Leadership, Versatility, Industrial Experience and Governance.
Ms. Shahana Basu	Leadership, Versatility and Governance

m) The Board of Directors has adopted a Code of Business Conduct and Ethics ("Code") for the Board Members, Senior Management Personnel and functional heads of the Company. This Code helps the Company to maintain the Standard of Business Ethics and ensure compliance with the legal requirements, specifically under Regulation 17(3) of the Listing Regulations.

A copy of the code of conduct has been posted on the Company's official website i.e. www.dcmnvl.com

The Code lays down the standard of conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. All the Board Members and the Senior Management personnel have confirmed compliance with the Code, for the financial year ended March 31, 2020.The declaration regarding compliance with the code of conduct is appended to this report.

(n) The Board of Directors has adopted a Code of Conduct to regulate, monitor and report trading by designated persons ("Insider Trading Code") in accordance with the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("PIT Regulations").

The Company has also formulated Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI) in compliance with the PIT Regulations. This Code is displayed on the official website www.dcmnvl.com.

3. AUDIT COMMITTEE

a) The terms of reference of Audit Committee covers all areas mentioned under Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013, as applicable. The broad terms of reference of Audit committee as on March 31, 2020, include, inter-alia, systematic review of Accounting policies & practices, financial reporting process, adequacy of internal control systems and internal audit function and quarterly/half-yearly financial statements. It also recommends appointment of Statutory Auditors, Internal Auditors, Cost Auditors, Secretarial Auditors and fixation of their audit fees.

b) As on March 31, 2020, the Audit Committee consisted of 3 (three) Directors namely Mr. Bipin Maira, Dr Meenakshi Nayar and Mr. Rakesh Goel. The composition comprises of two Independent Directors. Mr. Bipin Maira (Independent Director) is the Chairman of the Audit Committee.

Mr. Kunal Agrawal, Company Secretary have been acting as the Secretary to the Audit Committee.

c) The Audit Committee met four (4) times during the year i.e. on June 04, 2019, August 07, 2019, November 05, 2019 and February 05, 2020 and the time gap between two consecutive meetings was not more than one hundred and twenty days. The names of Chairman, Members and their attendance at the Audit Committee Meetings are as under:

Members	Category	Meetings Held	Meetings Attended
Mr. Bipin Maira	Non-Executive/ Independent	4	4
Dr. Meenakshi Nayar	Non-Executive/ Independent	4	4
Mr. Rakesh Goel	Executive	4	4

Mr. Bipin Maira, Dr. Meenakshi Nayar and Mr. Rakesh Goel have knowledge of finance and accounts. Audit Committee meetings are attended by Managing Director, Whole time Director and Chief Financial Officer. Representatives of Statutory Auditors, Cost Auditors and Internal Auditors have also attended the Audit Committee Meetings on invitation.

4. NOMINATION AND REMUNERATION COMMITTEE

a) The terms of reference of the Nomination and Remuneration Committee cover all areas mentioned under Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, besides other terms as referred by the Board of Directors. The broad terms of reference of the Nomination and Remuneration Committee inter-alia include recommending a policy relating to remuneration of directors and senior management personnel, formulation of criteria and identify persons who may be appointed as directors or senior management of the Company, Board diversity and any other matters which the Board of Directors may direct from time to time.

b) As on March 31, 2020, the Nomination and Remuneration Committee consisted of 3 (three) Non- Executive, Independent Directors viz. Mr. Bipin Maira, Mr. Ravi Vira Gupta and Dr Meenakshi Nayar. Mr. Bipin Maira (Independent Director) is the Chairman of the Nomination and Remuneration Committee.

Mr. Kunal Agrawal, Company Secretary have been acting as the Secretary to the Nomination and Remuneration Committee.

c) The Nomination and Remuneration Committee met 3 (three) times during the year i.e. on May 15, 2019, August 07, 2019 and August 26, 2019. The names of Chairman,

Members and their attendance at the Nomination and Remuneration Committee Meeting are as under:

Members	Category	Meetings Held	Meetings Attended
Mr. Bipin Maira	Non-Executive/ Independent	4	4
Dr. Meenakshi Nayar	Non-Executive/ Independent	4	4
Mr. Ravi Vira Gupta	Non-Executive/ Independent	4	4

d) The performance evaluation criteria for Independent Directors cover the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and during the evaluation, the Directors who were subject to evaluation had not participated.

5. REMUNERATION OF DIRECTORS

a) The Nomination and Remuneration policy of the Company is to remain competitive in the industry and to attract and retain quality talent and appropriately reward employees for their contribution.

The Policy of the Company on directors' appointment and remuneration, including the criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on the website of the Company, at http://www.dcmnvl.com/downloads/files/n5d120a5dd8c62.pdf

The details of remuneration paid to Directors for the year ended March 31, 2020, are as under: -

i) The Non-Executive Directors are paid by way of sitting fee only for attending each meeting of the Board of Directors or Committees thereof.

The details of sitting fees paid to Non-Executive Directors for the year ended March 31, 2020, are as under: -

(Rupees in Lacs)

Name of the Director	Sitting Fee Paid
Dr. Meenakshi Nayar	1.60
Mr. Bipin Maira	1.70
Mr. Ravi Vira Gupta	1.20
Mr Jitendra Tuli	0.90
Ms.Shahana Basu	0.40

Apart from receiving director's remuneration by way of sitting fee for attending each meeting of the Board or Committee, none of the Non-Executive Directors has any pecuniary relationship or transactions with the Company during the year ended March 31, 2020. The Company does not have any stock option scheme.

ii) The details of Remuneration paid to Executive Directors are as under:

(Rupees in Lacs)

Name of the Director	Remuneration paid for the year ended March 31, 2020		
	Remuneration		
	Salary	Perquisite	Total
Mr. Hemant Bharat Ram, Managing Director	257.54	-	257.54
Mr. Rakesh Goel, Whole time Director	124.78	9.62	134.40
Dr Vinay Bharat Ram, Whole time Director	31.32	-	31.32

Note: The Company has passed special resolution(s) for payment of remuneration to above directors by way of Postal Ballot.

6. STAKEHOLDER RELATIONSHIP AND FINANCE COMMITTEE

The powers, role and terms of reference of the Stakeholder Relationship and Finance Committee covers the areas as contemplated under Regulation 20 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013, besides other terms as referred by the Board of Directors. As on March 31, 2020, the Stakeholders Relationship Committee consisted of four (4) Directors namely Mr. Jitendra Tuli, Mr. Hemant Bharat Ram, Mr. Rakesh Goel and Mr. Bipin Maira

The Stakeholders Relationship Committee met once during the year i.e. on February 05, 2020.

Other details: -

a) Name of the Non-Executive Director heading the Committee: Mr. Jitendra Tuli

b) Name and Designation of the Compliance Officer: Mr. Kunal Agrawal, Company Secretary

c) Number of Shareholders Complaints: The Company has received four (4) complaints during the year and no complaint was pending at the beginning of the year.

d) Numbers not resolved to the satisfaction of shareholders: All the complaints have been resolved to the satisfaction of the complainants during the year.

e) Number of pending complaints as on March 31, 2020: None

7. GENERAL BODY MEETING

a) The last three Annual General Meetings were held as under:

Financial Year	Location	Date	Time
2016-17	601, 6th floor, Vikrant tower, 4, Rajendra place, New Delhi, Central Delhi, Delhi	September 06, 2017	1.15 PM
2017-18	601, 6th floor, Vikrant tower, 4, Rajendra place, New Delhi, Central Delhi, Delhi	September 06, 2018	1:15 PM
2018-19	601, 6th floor, Vikrant tower, 4, Rajendra place, New Delhi, Central Delhi, Delhi	April 27, 2019	1:15 PM

b) Special Resolutions passed in the previous 3 (three) AGMs:

1. At the AGM held on April 27, 2019:

- To borrow any sum of monies from both domestic and foreign Lenders for the purpose of meeting the financial requirements of the Company from time to time upto an amount of Rs 750 Crores.
- To mortgage and/or charge, subject to the limit approved under section 180(1)(c) of the Companies Act, 2013, all or any of the movable/immovable properties of the Company, both present and future in favour of the Lender(s) for securing the borrowings of the Company from time to time.
- As per Schedule IV of the Companies Act, 2013 and Regulation 16 of the Listing Regulations, Mr. Jitendra Tuli (DIN: 00272930), had been appointed as Non-Executive Director of the Company for a term of five consecutive years with effect from 23rd April 2019.
- As per Schedule IV of the Companies Act, 2013 and Regulation 16 of the Listing Regulations, Mr. Bipin Maira (DIN: 05127804), had been appointed as Non-Executive Independent Director of the Company for a term of five consecutive years with effect from 23rd April 2019.
- As per Schedule IV of the Companies Act, 2013 and Regulation 16 of the Listing Regulations, Mr. Ravi Vira Gupta (DIN: 05127804), had been appointed as Non-Executive Independent Director of the Company for a term of five consecutive years with effect from 23rd April 2019.

c) Special resolution passed last year through postal ballot:

The Company had sought the approval of the shareholders by way of Special Resolutions through Notice of postal ballot dated August 26, 2019, including remote E-voting. Ms. Pragnya Parimita Pradhan, Practicing Company Secretary, was appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner. The postal ballot was carried out as per the provisions of Sections 108 and 110 and other applicable provisions of the Companies Act, 2013, read with the Rules framed thereunder.

The details of the Special Resolutions and voting pattern was as follows: -

Particulars	Votes in favour of the resolution			Votes against the resolution		
Description of the Resolution	Number of members voted through electronic voting system and through Physical ballot form	Number of valid Votes cast (Shares)	% of total number of valid votes cast	Number of members voted through electronic voting system and through Physical ballot form	Number of valid Votes cast (Shares)	% of total number of valid votes cast
For Appointment of Mr. Hemant Bharat Ram (DIN: 00150933) as a Managing Director of the Company and to approve his remuneration.	280	1775103	99.86	18	2523	0.14
For Appointment of Mr. Rakesh Goel (DIN: 00226058) as a whole-time director of the company, designated as Executive Director – Textiles and to approve his remuneration.	282	10825940	99.98	17	2612	0.02
For Appointment of Dr. Vinay Bharat Ram (DIN: 00052826), as a Whole time Director of the Company and to approve his Remuneration	279	1775104	99.86	19	2522	0.14

All the Special Resolutions were passed by the shareholders based on combined results (Remote e-voting and Postal Ballot) with the requisite majority, and the results of which were announced on October 01, 2019.

b) Special resolution proposed to be conducted through postal ballot: N.A.

8. MEANS OF COMMUNICATION

a) Quarterly Results: Quarterly Results of the Company are published in Financial Express -All Editions and Jansatta (Hindi) – Delhi Edition and are displayed on the Company's website www.dcmnvl.com

b) Official News Releases: The Company's website also displays official news releases.

c) Presentations made to Institutional Investors or to the Analysts: No presentation was made to institutional investors or to the analysts by the Company.

9. GENERAL SHAREHOLDER INFORMATION

A. Annual General Meeting:

Date: September 25, 2020

Time: 11:00 am

Venue: The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5, 2020 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.

B. Financial Year: April 01, 2019 to March 31, 2020

C. Date of Book Closure: As mentioned in the Notice of this AGM

D. Dividend Payment Date: Not Applicable

E. Listing on Stock Exchanges: BSE Limited (BSE), New Trading Ring, Rotunda Building, P J Towers, Dalal Street, Mumbai-400 001 and National Stock Exchange of India Limited (NSE), ''Exchange Plaza", C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051. Annual Listing Fee for the year 2020-21 has been paid by the Company to BSE & NSE.

F. Stock Code : BSE – 542729, NSE – DCMNVL, Demat ISIN – INE08KP01019

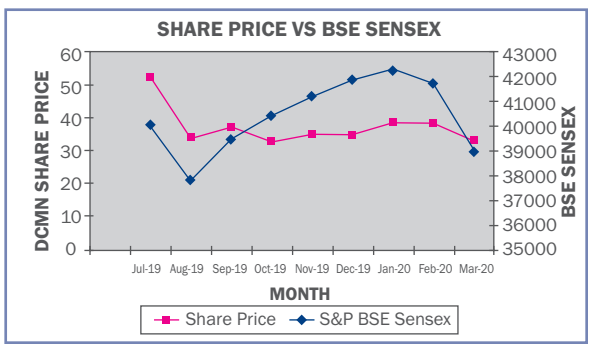
G. Market Price Data: Monthly High & Low during each month of the financial year 2019-20 at National Stock Exchange (NSE) and BSE Ltd. (BSE) are as under: -

Month	National Stock Exchange			BSE Ltd.		
	Highest (Rs.)	Lowest (Rs.)	Volume (Nos.)	Highest (Rs.)	Lowest (Rs.)	Volume (Nos.)
July, 2019	54.90	26.20	83,0000	52.20	27.05	6,205
Aug, 2019	35.00	22.60	183,000	33.90	23.55	20,654
Sep, 2019	37.95	26.00	92,000	37.00	27.00	12,949
Oct, 2019	32.90	25.00	80,000	32.60	25.05	10,795
Nov, 2019	32.90	25.15	77,000	35.00	24.20	6,446
Dec, 2019	37.10	26.50	186,000	34.80	26.50	9,583
Jan, 2020	39.55	29.20	141,000	38.40	28.60	19,443
Feb, 2020	36.40	27.05	192,000	38.30	27.75	12,582
Mar, 2020	33.50	20.05	227,000	33.05	20.40	22,277

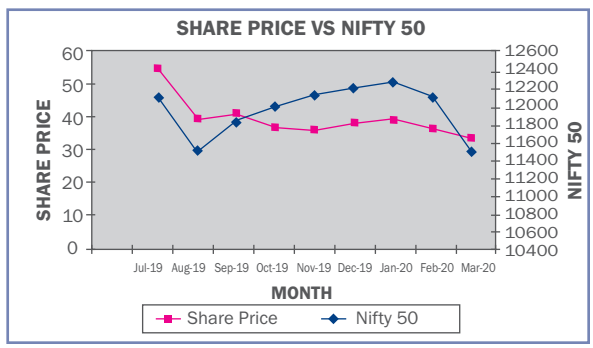
Note: Since the Company got listed on BSE Limited and National Stock Exchange of India Limited on July 16, 2019, the monthly High Low is applicable w.e.f July,2019.

H. Performance of the share price of the Company in comparison to indices of Stock Exchanges .

- **Chart of comparison of Company's Share Price with BSE Sensex**



- **Chart of comparison of Company's Share Price with Nifty 50**



I. Trading of shares of the Company: During the year under review, the shares of the Company are not suspended from trading.

J. Registrar and Share Transfer Agents:

M/s. Skyline Financial Services Pvt Ltd, continues to be the Registrar & Transfer Agents of the Company and their address is as under: -

M/s. Skyline Financial Services Pvt Ltd
D-153 A, First Floor, Okhla Industrial Area,
Phase –I, New Delhi-110020, Tel: 011-41044923,
Email: info@skylinerta.com

K. Share Transfer System: The Company's shares are traded in the Stock Exchanges compulsorily in demat mode. Power of share transfer has been delegated to Registrar & Share Transfer Agent (RTA) for expediting share transfers. Further, pursuant to the amendment in Regulation 40 of Listing Regulations w.e.f. 01.04.2019, request for effecting transfer of physical Shares, except in case of Transmission or Transposition of Shares, shall not be processed by the RTA unless the shares are held in the dematerialized form with the depositary.

Accordingly, the Company / its RTA have stopped accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail the facility of dematerialization

L. Distribution of shareholding as on March 31, 2020.

Share or Debenture holding Nominal Value (Rs.)	Number of Share-holders/ folios	% to Total Numbers of share-holders	Equity Shares Amount (Rs.)	% to Total Amount of shares
Up To 5,000	28402	95.68	13175970	7.05
5001 To 10,000	596	2.01	4816370	2.58
10001 To 20,000	295	0.99	4442200	2.38
20001 To 30,000	115	0.39	2950990	1.58
30001 To 40,000	45	0.15	1535000	0.82
40001 To 50,000	44	0.15	2055090	1.1
50001 To 1,00,000	75	0.25	5276000	2.82
1,00,000 and Above	113	0.38	152525870	81.66
Total	**29685**	**100**	**186777490**	**100**

Shareholding Category as on March 31, 2020.

Category	No. of Equity Shares held	% to total shareholding
Promoter and Promoter Group	93,56,163	50.09
Mutual Funds	65,283	0.35
Financial Institutions / Banks	5,465	0.03
Insurance Companies	11,48,512	6.15
Non-Institution: Bodies Corporate	11,73,864	6.28
NRI's	6,74,350	3.61
Individual Shareholders	52,87,056	28.30
HUF	7,12,050	3.81
Others (NBFCs, trust, Clearing members and IEPF)	2,55,006	1.38
Grand Total	**1,86,77,749**	**100.00**

M. Dematerialisation of shares: The Equity Shares of the Company are compulsorily tradable in Dematerialized form by all categories of investors and placed under rolling settlement by SEBI. The Company has signed agreement with National Securities Depositary Limited (NSDL) & Central Depositary Services Limited (CDSL) for dematerialization of shares. About 96.98 % of the Company's paid–up equity share capital has been dematerialised up to March 31, 2020.

The details of Demat of shares as on March 31, 2020, are as under: -

Depository (es)	No. of Shareholders	No. of Shares	% of capital
NSDL	9161	15559956	83.31
CDSL	4215	2553281	13.67

Requests for dematerialization of shares are processed and confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services India Limited (CDSL) within 15 days

N. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity: The Company has not issued any GDRs/ADRs/Warrants or any other convertible instruments.

O. Commodity price risk or foreign exchange risk and hedging activities: The Company is subject to market risk with respect to commodities prices fluctuations in cotton. The Company manages exposure to commodity risk through

close monitoring of cotton price movement and strategic buying initiatives in the cotton season. The prices of commodities like cotton were lower in international market during the previous year due to increase in MSP in India. Due to good weather and high yield, the price is expected to remain lower in the financial year 2020-21.

During the year 2019-20, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The details of foreign currency exposure are disclosed in Note no. 44 to the standalone financial statement.

P. Plant Location:

Textiles Division, Post Box No 59, Near Mela Ground, Hisar, Haryana-125 001

Q. Address for Correspondence:

Registered Office:
DCM Nouvelle Limited,
407, Vikrant Tower, 04,
Rajendra Place, New Delhi-110008,
India Tel: 011-43678490

R. Credit Ratings:

- During the year ended March 31, 2020, CRISIL Limited, a renowned credit rating agency have assigned a rating of CRISIL BBB/Stable (Assigned) and CRISIL A3+ (Assigned) to the long-term rating and short term respectively of Rs 210 crores borrowings availed by the Company.

10. OTHER DISCLOSURES

a) Disclosure on materially significant related party transactions that may have potential conflict with the interests of the Company at large

There have been no materially significant related party transactions, monetary transactions or relationships between the Company and its directors, the management, subsidiaries or relatives, except for those disclosed in the Board's report. Detailed information on materially significant related party transactions is enclosed to the Board's report

None of the transactions with any of related parties were in conflict with the interests of the Company. Attention of the members is drawn to the disclosure of transactions with related parties set out in Note No. 42. of the Financial Statements, forming part of the Annual Report.

b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years.

During the last three years, neither was there any incidence of non-compliance by the Company nor any penalty, stricture has been imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets.

c) Whistle Blower Policy

The Company requires that all directors and employees adhere to high ethical standards in business conduct and comply with laws and regulations, the Company's code of conduct and ethics policies and practices and procedures. Ethical behavior in the areas of business conduct is of utmost priority to the Company.

The Company has established a vigilance mechanism namely 'Vigil Mechanism and Whistle Blower Policy' for directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The purpose of the Vigil Mechanism and Whistle Blower Policy' of the Company is to provide adequate safeguards against victimization of directors and employees who avail of the vigil mechanism provision and to provide direct access to the Chairperson of the Audit Committee.

During the year ended March 31, 2020, no matter has been received under Whistle Blower Policy of the Company and no personnel have been denied access to the Chairman of the Audit Committee of the Company.

d) Compliance with mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub – regulation (2) of Regulation 46 of the Listing Regulations.

e) Web link where policy for determining 'material' subsidiaries is disclosed

The Company does not have a subsidiary; hence it is not applicable.

f) Web link where policy on dealing with related party transactions

http://www.dcmnvl.com/downloads/files/n5d120c0ea49d0.pdf

g) Disclosure of commodity price risks and commodity

hedging activities

Details of exposure of the Company to material commodities and risks faced by it throughout the year as mandated by Regulation 34(3) read with clause9(n) of Part C of Schedule V of the SEBI Listing Regulations and SEBI Circular SEBI/HO/ CFD/ CMD1 /CIR / P/2018/ 0000000141 dated November 15 2018, is as follows:

1. **Total exposure of the Company to commodities is INR: Rs 42627.88 Lacs**

2. **Exposure of the Company to various commodities:**

Commodity Name	Exposure in INR towards the particular commodity	Exposure in Quantity terms towards the particular commodity In MT	% of such exposure hedged through commodity derivatives				
			Domestic market		International market		Total
			OTC	Exchange	OTC	Exchange	
Cotton	Rs 42627.88 Lacs	38570.71 tonnes	Nil	0.25	Nil	Nil	0.25

3. **Commodity risks faced by the listed entity during the year and how they have been managed.**

   The commodity risks on cotton is mitigated through close monitoring of its price movement and through strategic buying initiatives in the cotton season.

h) **Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under regulation 31(7A):**

Not Applicable

i) **Certification by Practicing Company Secretary:** Ms. Pragnya Parimita Pradhan, Practising Company Secretary has issued a certificate under the Listing Regulations, confirming that none of the Directors on the Board of the Company has 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 statutory authority. The certificate is enclosed with this section.

j) **Acceptance of recommendations made by the Committees**

During the financial year 2019-20, the Board has accepted all the recommendations of its Committees.

k) **Total Fees paid to Statutory Auditors**

The details of fees paid by the Company to the Statutory Auditors are as under: -

(Rupees in Lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
As Statutory Auditor	12.00	0.09
For taxation matters	2.00	-
Other Services	8.00	0.11
Reimbursement of Expenses	1.48	-
Total	23.48	0.20

l) **Disclosures under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has zero tolerance towards sexual harassment at the workplace. In order to comply with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace. All women employees either permanent, temporary or contractual are covered under the above policy. An Internal Complaint Committee (ICC) has been set up in compliance with the said Act and the committee met on quarterly basis to discuss any issues in this regard.

The details of number of complaints filed, disposed off and pending during the financial year ended March 31, 2020, are as follows:

Number of complaints filed during the financial year 2019-20	Nil
Number of complaints disposed off during the financial year 2019-20	Nil
Number of complaints pending as on end of the financial year	Nil

11. CEO/CFO CERTIFICATION

The Executive Director-Textiles and the Chief Financial Officer have issued a certificate pursuant to Regulation 17 of the Listing Regulations certifying that the financial statements do not contain any untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate from Mr. Rakesh Goel, Executive Director-Textiles and Mr. Sandeep Kumar

Jain, Chief Financial Officer was placed before the Board of Directors at its meeting held on June 25, 2020.

12. COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

The certificate issued by Ms. Pragnya Parimita Pradhan – Practising Company Secretary, on compliance of Corporate Governance norms is annexed to this Report.

13. DISCLOSURES WITH RESPECT TO UNCLAIMED SHARES

As per Regulation 34(3) read with Schedule V of the Listing Regulations, the details of the unclaimed Shares as follows:

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	Number of shareholders to whom shares were transferred from suspense account during the year;	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.
1	2	3	4	5
31340 number of shareholders and 162948 Equity Shares	3 Shareholders and 122 Equity Shares	3 Shareholders and 122 Equity Shares	31337 number of Shareholders and 162826 Equity Shares	162826 Equity Shares

Note: Pursuant to the Scheme of Arrangement between DCM limited and DCM Nouvelle Limited which got sanctioned by Hon'ble NCLT, New Delhi vide order dated May 01, 2019, the Company has allotted 186,777,49 number of equity shares of Rs.10/- each to the shareholders of DCM Limited as on the Record Date i.e. May 31, 2019 in accordance with their respective entitlement in the ratio of 1:1.

DISCRETIONARY REQUIREMENTS

A. The Board

No office for the Chairperson is maintained at the Company's expense. There was no reimbursement of expenses to the Chairperson in performance of her duties.

B. Shareholders Rights

As the Company's quarterly results are published in an English newspaper having circulation all over India and in a Hindi newspaper having circulation in the Delhi region and is uploaded on Company's website www.dcmnvl.com, the half-yearly declaration of financial performance is not sent separately to each household of the shareholders of the Company.

C. Modified Opinion in audit report

Auditors have raised no qualification on the financial statements

D. Reporting of Internal Auditors

The Reports of the Internal Auditors have been placed before the Audit Committee on regular basis.

CERTIFICATE

Declaration Regarding Compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct

To the Members of
DCM Nouvelle Limited

This is to confirm that the Board of Directors had adopted a Code of Conduct for all the Board Members and Senior Managerial Personnel of the Company. The Code of Conduct is available on the website of the Company.

I hereby declare that all Board Members and Senior Management Personnel have affirmed compliance with the provisions of the Company's Code of Conduct, for the financial year ended March 31, 2020.

Sd/-
Hemant Bharat Ram
Managing Director

Date: August 06, 2020
Place: New Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and sub clause (i) of clause (10) of Para C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended)

I, Pragnya Parimita Pradhan, proprietor of Pragnya Pradhan & Associates, Practicing Company Secretaries, have examined the relevant registers, records, forms, returns and disclosures received from the Directors of DCM NOUVELLE LIMITED having CIN L17309DL2016PLC307204 and having registered office at 407, Vikrant Tower 4, Rajendra Place, New Delhi-110008 In (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with clause 10(i) of Para-C of Schedule V of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

In my opinion and to the best of my information and according to the verifications [including Directors Identification Number (DIN) status at the portal www.mca.gov.in] as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended 31st March, 2020 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 other Statutory Authority.

S. No	DIN	Name of Director
1	00017410	RAVI VIRA GUPTA
2	00052826	VINAY BHARAT RAM
3	00150933	HEMANT BHARAT RAM
4	00226058	RAKESH GOEL
5	00272930	JITENDRA TULI
6	05127804	BIPIN MAIRA
7	06866256	MEENAKSHI NAYAR
8	07137715	SHAHANA BASU

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. My 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 Pragnya Pradhan & Associates
Company Secretaries
Pragnya Parimita Pradhan
ACS No. 32778
C P No.: 12030
UDIN: A032778B000503039

Place: New Delhi
Date: July 25, 2020

PRACTICING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
DCM Nouvelle Limited

1. We have examined the compliance of conditions of Corporate Governance by DCM Nouvelle Limited ('the Company') for the year ended March 31, 2020, as per regulations 17 to 27, clauses (b) to (i) of regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') pursuant to the Listing Agreement of the Company with stock exchanges.

2. The preparation of the Corporate Governance Report is the responsibility of the Management including the preparation and maintenance of all the relevant supporting records and documents and ensures that the Company complies with the conditions of the Corporate Governance and provides all relevant information to Securities and Exchange Board of India. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.

3. Pursuant to the requirements of the SEBI Listing Regulations, it is our responsibility to obtain reasonable assurance and form an opinion as to whether the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended March 31, 2020.

4. A reasonable assurance engagement involves performing procedures to obtain sufficient appropriate evidence on the subject matter stated in the above paragraph. The procedures selected, including procedures for assessment of the risk associated with the subject matter, depends on the auditor's judgment.

5. Our examination was limited to the procedures and implementation thereof adopted by the Company for ensuring the compliance of Corporate Governance. It is neither an audit not an expression of opinion on the financial statements of the Company.

6. We conducted our examination in accordance with the Guidance Note on Corporate Governance Certificate, ("the Guidance Note"), issued by the Institute of Company Secretaries of India ("ICSI").

7. In our opinion, and to the best of our information and according to the explanation and representations given to us, we are of the opinion that the Company has complied with the conditions of the Corporate Governance as stipulated in SEBI Listing Regulations, as applicable as at March 31, 2020, referred to in paragraph 2 above.

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

9. This report is addressed to and provided to the members of the Company solely for the purpose of enabling it to comply with the obligations under the SEBI Listing Regulations and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of report.

For Pragnya Pradhan & Associates
Company Secretaries
Pragnya Parimita Pradhan
ACS No. 32778
C P No.: 12030
UDIN: A032778B000565101

Place: New Delhi
Date: August 06, 2020

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

India's textiles sector is one of the oldest industries in the Indian economy, dating back to several centuries.

The industry is extremely varied, with hand-spun and hand-woven textiles sectors at one end of the spectrum, while the capital-intensive sophisticated mills sector on the other end. The spinning sector, decentralized power looms/ hosiery and knitting sector forms the largest component in the textiles sector. The close linkage of textiles industry to agriculture (for raw materials such as cotton) and the ancient culture and traditions of the country in terms of textiles makes it unique in comparison to other industries in the country. India's textiles industry has a capacity to produce wide variety of products suitable for different market segments, both within India and across the world. At present, Indian textiles sector occupies prominent position in the world textile trade.

Spinning Industry Overview

The global yarn market is estimated to be around US$ 40 billion in 2017 and is expected to grow at a CAGR of 1.05% to reach US$42 billion by the year 2022. In 2019 with an installed capacity of about 53 million spindles, India is one of the largest producers and exporter of cotton yarn in the world with a production of 5,122 million kgs of all types of spun yarn.

China is the largest importer of cotton yarn (25% share) from India, followed by Bangladesh with 20% share respectively. The top five importers form 52% of India's total cotton yarn exports.

The high cotton yarn exports out of India can be attributed to the local availability of abundant raw material and modern infrastructure in the spinning section of the value chain.

Indian spinners over the last few decades have invested extensively in bringing in the latest spinning technologies and infrastructure to India.

Investment

The textiles sector has witnessed a spurt in investment during the last five years. The industry (including dyed and printed) attracted Foreign Direct Investment (FDI) worth US$ 3.44 billion by March 2020.

The Ministry of Textiles has sanctioned 59 Textile parks under the Scheme of Integrated Textile Park (SITP), out of which 22 Textile Parks have been completed..

COMPANY OVERVIEW

Excellence

DCM Nouvelle Limited is a leading manufacturer & exporter of 100% cotton carded and combed yarns in single and two-ply forms of count range Ne 12s to 40s. The Company has spindle capacity of 1,15,048 located at Hisar with approx 2500 MT of monthly production. State-of-art spinning machineries and Quality Assurance instruments from leading manufacturers have been installed for production of fault free 100 % cotton yarn. With the introduction of value added products, premium brands & sustainability certifications, the company has moved ahead in positioning itself as supplier of quality yarn for finest clothing. The company had successfully engraved its name in domestic markets and have exported to more than 30 countries. Moving on the path Total Quality Management (TQM), its improved processes & products to achieve ultimate goal of "**CUSTOMER DELIGHTNESS**".

Brands

primero

The Company expanded its spinning capacity by setting up its latest world class automated spinning unit (Unit III) with 39168 spindles in 2014. From this New Spinning Unit, "PRIMERO" a brand of premium 100% Cotton Combed Yarn was launched in 2015. PRIMERO has gained immense recognition among the high-end customers due to controlled contaminations & good piling performance. The fabric knitted with Primero quality yarn has controlled contamination level suitable for bleach & light shades. The feel of fabric made up of primero quality is rich & luxurious having excellent appearance.

Dinero

From the same New Spinning Unit III, "DINERO" a brand of premium 100% Cotton Carded Yarn was launched in 2016. The fabric knitted with Dinero quality yarn has exceptional uniformity. The feel of the finished fabric is smooth & soft. The yarn has better tensile properties suitable for knitting after cone dyeing. Dinero quality yarn performance excellently on high-end knitting machines.

CCY is contamination controlled 100% cotton combed knitting yarn processed through advanced contamination control systems "USTER® JOSSI VISION SHIELD with MAGIC EYE 2" and "Uster Quantum 3 with Polypropylene (PP) & Dark Foreign Fibre (FFD)" clearing devices that ensures removal of Polypropylene and colored contaminants. This combination of two control systems results in Contamination Controlled Yarn.

Sustainability

The company is certified as per Global Organic Textile Standard (GOTS). GOTS defines high-level environmental criteria along the entire organic textiles supply chain and requires compliance with social criteria as well.

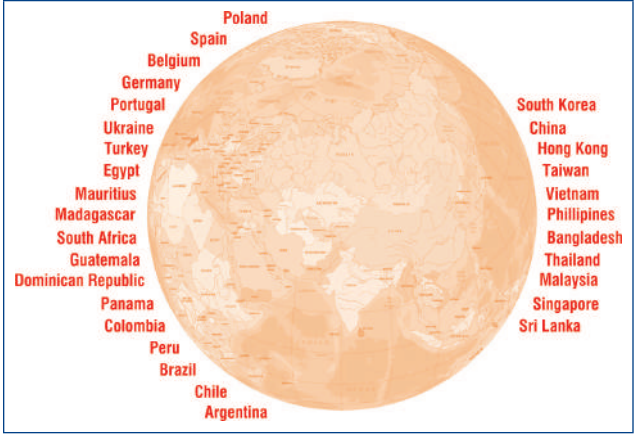
As Proud Member of BCI, We Stand at forefront to achieve BCI objective to make global cotton production better for the people who produce it, better for the environment it grows in and better for the sector's future.

Ensure our products and processes are free of dangerous chemicals including lead & pesticides.

Milestones journey

1991	Commenced spinning operations with 33000 spindles at Hisar.
1995	Led the Industry by getting ISO 9001 Certification
1998	Spindle capacity enhanced from 33000 to 45000 in Unit I.
2005	Spindle capacity enhanced to 76,200 by setting up Unit II.
2014	Spindle capacity enhanced to 1,15,048 by setting up Unit III.
2015	Launched PRIMERO Brand of Products from Unit III
2016	Launched DINERO Brand of Products from Unit III
2016	Obtained BCI Certification
2017	Commenced Production of Cotton Slub Yarns
2018	Obtained Global Organic Textile Standard Certification
2018	Obtained OEKO-TEX STANDARD 100 Certification
2020	Launched CCY Brand of Products from Unit I

Export Markets



Domestic Markets



OPPORTUNITIES AND OUTLOOK

The outlook for the textile industry in India is quite optimistic. It is expected that the textile industry will continue to grow at an impressive rate.

The Indian textiles industry, currently estimated at around US$ 108 billion, is expected to reach US$ 223 billion by 2021. The industry is the second largest employer after agriculture providing employment to over 45 million people directly and 60 million people indirectly. The Indian textiles industry contributes approximately 5% to India's GDP and 14% to overall Index of Industrial Production (IIP). The textile sector is among the largest contributors to India's exports, and has the potential to reach US$ 500 billion in size according to a study. The implementation of GST is another positive step to organize the textile sector and for revenue generation both for industry and the Government.

The production of raw cotton in India is estimated to have reached 360.40 Lacs bales in cotton season of 2019-20. However, due to COVID-19 pandemic ,cotton consumption has dipped. It is expected that cotton consumption in world may fall by 14.80% & 6% in cotton season of 2019-20 and 2020-21 respectively.

The inherent strengths of the textile industry have seen it through rough days and hard times. There have been many periods of adversity, when growth charts dipped and the future appeared bleak. But like the phoenix, the textile industry has risen each time from the ashes.

With a tremendous growth in the economy along with Government support, the Indian economy is expected to overtake Japan to be the 3rd largest economy by 2028. India's exports are also expected to improve in coming years benefitting from the trade war between US and China.

SCHEME OF ARRANGEMENT AND LISTING OF THE COMPANY ON NSE & BSE

During the year under review, the Scheme of Arrangement between DCM Limited and the Company and their respective Shareholders and Creditors ('Scheme') had been approved by the National Company Law Tribunal, Principal Bench, Delhi ("NCLT") vide its order dated May 1, 2019. The appointed date was April 01, 2019. Pursuant to the aforesaid Scheme, the Board of Directors of the Company, at its meeting held on June 04, 2019 had allotted 18,677,749 number of equity shares of Rs.10 each to the shareholders of DCM Limited. The said equity shares were listed with BSE Ltd. and National Stock Exchange of India Ltd. with effect from July 16, 2019.

RISK & CONCERNS

Textile spinning sector globally seems to be quite unpredictable and uncertain for various reasons including stagnant demand as against growing supply side, cotton futures, currency fluctuation and above all increasing competition from some countries like Vietnam, Bangladesh, and Combodia etc. Recently initiatives launched by Govt envisages inviting FDI which may give impetus to growth in textiles, particularly the fabric and processing which will lead to balance out the demand supply position for spinning sector.

Competition from other developing countries, high volatility of cotton, yarn price and the Rupee to US$ exchange rate are the major concern. The Company is trying to reduce the impact of volatility by reducing open position in respect of above. Labour shortage is another area which is affecting operations. This is being mitigated by increasing worker training programs and strengthening operational efficiency.

INTERNAL CONTROLS

The Company's financial statements are accurate, sufficient and credible. All assets are safeguarded and protected against losses that may arise from unauthorized use or disposition, incorrect use, any incident of fraud and inappropriate storage. We continuously strive to integrate the entire organization – from strategic support functions like finance, human resources and regulatory affairs to core operations like manufacturing and supply chain management. Such internal control procedures are augmented by an extensive programme of internal and external audits, and periodic reviews by the management. The Company has obtained ISO 9001-2015 and adheres to standard operating practices in its manufacturing and operating activities. Reasonable assurance is obtained based on evidence regarding processes followed and their appropriate testing of controls that such systems are adequate, comprehensive and are working effectively.

The Internal Auditors independently evaluate the adequacy of internal controls and concurrently audit the majority of the transactions in value terms. Independence of the audit and compliance is ensured by direct reporting of Internal Auditors to the Audit Committee of the Board.

All Internal Audit findings and control systems are periodically reviewed by the Audit Committee of the Board of Directors, which provides strategic guidance on Internal Controls.

MANPOWER DEVELOPMENT

In a world where everything else is equal, human effort makes all the difference. We place immense value on our workforce and consider it our biggest, most valuable asset. At DCM

Nouvelle, we have a culture of empowerment that values and respects individual potential and helps each one achieve it to the fullest. Our people own their jobs and not just perform them. We continuously strive to improve quality of work-life balance for total job satisfaction and social harmony for the employees. The total number of people on the rolls of the company is 1636.

FINANCIAL AND OPERATIONAL PERFORMANCE:

The financial performance of the Company for the year ended March 31, 2020 is

(Rupees in Lacs)

S. No.	Particulars	Financial Year ended March 31, 2020	Financial Year ended March 31, 2019 (Restated)*
1.	Sales in Quantity (MT)	28,292	30,401
2.	Production (MT)	28,645	30,190
3.	Sales & other Income	58,899	67,535
4.	Total Expenditure	(55,409)	(60,480)
5.	Profit before finance cost, Depreciation, Amortization & Tax	3,490	7,055
6.	Finance Cost	(1,186)	(1,443)
7.	Depreciation	(1,647)	(1,700)
8.	Profit before Tax	656	3,912

*Note : Post demerger and listing of shares of the Company, the financials for the financial year 2018-19 mentioned above are restated figures of the erstwhile Textiles division of DCM Limited for comparative purposes only.

During the year under review, the Profit Before Tax (PBT) decreased to Rs.656 Lacs in the financial Year 2019-20 from Rs. 3912 Lacs in the previous financial Year 2018-19 on account of lower realization of cotton yarn due to US – China trade war , provision for reversal of TUFs subsidy and suspension of business on account of Covid19 in the last week of March 2020.

DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS AND ANY CHANGES IN RETRUN ON NET WORTH, ALONG WITH DETAILED EXPLANATIONS:

Being FY 2019-20 is the first year of operation for the Company after demerger of textile division and before this demerger, there were no business operations in the Company hence, this sub-Rule is not applicable to the Company.

CAUTIONARY NOTE

Statements in the Management Discussion & Analysis report describing the Company's objectives, estimates or projections may be forward looking statements within the meaning of applicable securities law and regulations. Actual results may materially differ from those expressed or implied. Important factors that can make a difference to the Company's operations include change in the main client's purchase procedures, changes in Government regulations, tax regimes, economic outlook in India and the USA and other incidental factors.

INDEPENDENT AUDITORS' REPORT

To the Members of DCM Nouvelle Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of DCM Nouvelle Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant 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 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 March 31, 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the 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.

Key Audit Matters

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.

Description of Key Audit Matter

Business combination – Demerger of Textile Division from DCM Limited to the Company	
The key audit matter	**How the matter was addressed in our audit**
The National Company Law Tribunal ("NCLT"), vide its order dated May 1, 2019, has approved the Scheme of Arrangement ('the Scheme') between DCM Limited and the Company, for the demerger of the Textile Division of DCM Limited, on a going concern basis with effect from April 1, 2019 (i.e. the appointed date). The Company accounted for this demerger as a common control business combination transaction as per Ind AS 103- Appendix C. We have determined this to be a key audit matter considering this as a significant transaction occurred during the current year in view of magnitude of this transaction, pervasive impact on the financial statements of the Company and involvement of judgement and interpretation of the relevant Indian Accounting Standards and applicable taxes and other statutes / regulations. (Refer note 37 to the financial statements)	In view of the significance of the matter we applied the following audit procedures in this area, among others to obtain sufficient and appropriate audit evidence: • Obtained and read the Scheme for demerger of Textile Division, meeting minutes and other underlying documentation relating to the Scheme, to understand the key terms and conditions; • Reviewed tax computation for appropriate application of tax laws; • Performed audit procedures to obtain sufficient and appropriate audit evidence about whether the balances of assets acquired, and liabilities assumed as on appointed date, are free from material misstatements. • Verified that the restatement of prior period financial statement is done as if demerger had occurred from the beginning of the preceding period in the financial statements; • Reviewed accounting policies over business combinations and assessed whether the accounting treatment including adjustments entries, is in accordance with the Indian Accounting Standards and the Scheme; • Verified that the adequacy of disclosures, given in financial statements in respect of the Scheme, are in compliance with disclosure requirement of the applicable Indian Accounting Standards.

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 our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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.

Management's and Board of Directors' Responsibility 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 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 accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true 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 in the financial statements 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 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 auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The financial statements of the Company for the year ended March 31, 2019, included in these financial statements, were audited by predecessor auditor who expressed an unmodified opinion on those statements on April 24, 2019. As explained in note 37 to the accompanying financial statements, the appointed date for the Scheme is April 1, 2019 and in accordance with the requirements of the applicable Ind AS, the comparative Ind AS financial information has been restated as if the business combination had occurred from April 1, 2018.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government 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 section 133 of the Act.

   e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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 Auditors' 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:

      i. The Company has disclosed the impact of pending litigations as at March 31, 2020 on its financial position in its financial statements - Refer note 40 to the financial statements.

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

      iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made in these financial statements since they do not pertain to the financial year ended March 31, 2020.

   (C) With respect to the matter to be included in the Auditors' Report under section 197(16):

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 limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

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

Kaushal Kishore
Partner
Membership Number: 090075
UDIN: 20090075AAAAAM3046

Place: New Delhi
Date: June 25 2020

Annexure A referred to in our Independent Auditor's Report to the members of DCM Nouvelle Limited on the Financial Statements for the year ended March 31, 2020

(i) (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified, in a phased manner, over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain assets have been physically verified by the management during the current year. As informed to us, 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 the immovable properties, as disclosed in Note 3 to the financial statements, are held in the name of the Company.

(ii) According to the information and explanations given to us, the inventories, except good-in-transit, have been physically verified by the management at regular intervals during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and nature of its business. As informed to us, the discrepancies noticed on comparison of physical verification of inventories with book records were not material and have been properly dealt with in the books of account.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act. Further, there are no limited liability partnerships covered in the register required under Section 189 of the Act. Accordingly, paragraph 3 (iii) of the Order is not applicable.

(iv) According to the information and explanations given to us, the Company has not granted any loans and advances or made any investments or given security or guarantees covered under the provisions of Section 185 and Section 186 of the Act. Thus, paragraph 3 (iv) of the Order is not applicable.

(v) As per the information and explanations given to us, during the year, the Company has not accepted any deposits as mentioned in the directives issued by the Reserve Bank of India and the provisions of Section 73 to Section 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable

(vi) The Central Government has prescribed the maintenance of cost records under sub- section (1) of section 148 of the Act for certain activities carried out by the Company. We have broadly reviewed the books of account maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended and prescribed by the Central Government for the maintenance of cost records under Section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employee's state insurance, Income-tax, Goods and Services tax, duty of Customs, Cess, and Other material statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employee' state insurance, Income-tax, Goods and Services tax, duty of Customs, Cess and Other material statutory dues were in arrears as at March 31, 2020 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues in respect of Income-tax, Sales-tax, Goods and Services tax, Duty of custom, Service tax, Duty of excise and Value added tax which have not been deposited with the appropriate authorities on account of any dispute.

(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 defaulted in repayment of loans or borrowings to any bank during the year. The Company has not availed any loan or borrowings from financial institution or government and there are no dues to debenture holders during the year.

(ix) According to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanation given to us, the term loans taken by the Company have been applied for the purpose for which they were raised.

(x) According to the information and explanations given to us, no fraud by the Company and neither any fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the managerial remuneration has been paid or provided by the Company in accordance with the provisions of Section 197 read with Schedule V of the Act.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under section 406 of the Act. Accordingly, paragraph 3(xii) of the Order is not applicable.

(xiii) According to the information and explanation given to us and on the basis of our examination of the records of the Company, all the transactions with related parties are in compliance with the provisions of Section 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) According to the information and explanation 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, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or person connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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

Kaushal Kishore
Partner
Membership Number: 090075
UDIN: 20090075AAAAAM3046

Place: New Delhi
Date: June 25 2020

Annexure B to the Independent Auditors' report on the financial statements of DCM Nouvelle Limited for the year ended March 31, 2020

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 Companies Act, 2013

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

Disclaimer of Opinion

According to the information and explanation given to us, the Company is in the process of establishing its internal financial controls over financial reporting with reference to these financial statements on criteria based on or considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note"). Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting with reference to these financial statements as at and whether such internal financial controls were operating effectively as at March 31, 2020.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company and the disclaimer does not affect our opinion on the financial statements of the Company.

Management's Responsibility 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 controls with reference to financial statements criteria established by the Company considering the essential components of internal controls 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 Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' 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.

Because of the matter described in Disclaimer of Opinion paragraph above, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls over financial reporting of the Company

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.

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

Kaushal Kishore
Partner
Membership Number: 090075
UDIN: 20090075AAAAAM3046

Place: New Delhi
Date: June 25 2020

BALANCE SHEET

as at March 31, 2020

(Rupees in lacs)

Particulars	Notes	As at March 31, 2020	As at March 31, 2019 (Restated)
ASSETS			
Non-current assets			
Property, plant and equipment	3	9,470.89	9,441.68
Capital work-in progress	3	1,238.35	20.05
Financial assets			
(i) Loans	4	6.22	331.80
(ii) Other financial assets	5	-	1.21
Deferred tax assets (net)	34	229.09	-
Other non-current assets	6	1,595.60	153.92
Total non-current assets		**12,540.15**	**9,948.66**
Current assets			
Inventories	7	17,984.30	16,944.19
Financial assets			
(i) Trade receivables	8	5,662.44	6,630.23
(ii) Cash and cash equivalents	9	22.46	1,015.82
(iii) Bank balances other than Cash and cash equivalents	10	79.84	0.14
(iv) Loans	11	31.83	24.92
(v) Other financial assets	12	780.51	774.42
Current tax assets (net)	13	9.50	-
Other current assets	14	660.43	423.53
Total current assets		**25,231.31**	**25,813.25**
Total assets		**37,771.46**	**35,761.91**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	15	1,867.77	1,867.77
Other equity	16	13,494.49	13,059.90
Total equity		**15,362.26**	**14,927.67**
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	17	4,330.77	4,605.52
(ii) Other financial liabilities	18	11.98	8.10
Provisions	19	674.11	636.48
Total non- current liabilities		**5,016.86**	**5,250.10**
Current liabilities			
Financial liabilities			
(i) Borrowings	20	12,496.98	11,676.87
(ii) Trade payables	21		
(a) Total outstanding dues of micro and small enterprises		80.62	76.74
(b) Total outstanding dues of creditors other than micro and small enterprises		1,407.24	724.27
(iii) Other financial liabilities	22	2,166.46	2,314.08
Other current liabilities	23	84.32	141.18
Contract liabilities	24	402.76	248.09
Provisions	25	753.96	402.91
Total current liabilities		**17,392.34**	**15,584.14**
Total liabilities		**22,409.20**	**20,834.24**
Total equity and liabilities		**37,771.46**	**35,761.91**

Notes forming part of the financial statements
As per our report of even date attached

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

Kaushal Kishore
Partner
Membership No.: 090075

Place: New Delhi
Date: June 25, 2020

For and on behalf of the Board of Directors of DCM Nouvelle Limited

Hemant Bharat Ram
Managing Director
DIN:00150933

Dr. Meenakshi Nayar
Chairperson & Director
DIN:06866256

Sandeep Kumar Jain
Chief Financial Officer
M.No.:078691

Kunal Agrawal
Company Secretary
M.No.: A35213

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2020

(Rupees in lacs)

Particulars	Notes	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Income			
Revenue from operations	26	58,521.74	66,749.93
Other income	27	376.77	785.61
Total income		**58,898.51**	**67,535.54**
Expenses			
Cost of materials consumed	28	42,138.79	45,707.29
Changes in inventories of finished goods and work in progress	29	(556.93)	389.76
Employee benefits expense	30	4,138.57	3,810.67
Finance costs	31	1,186.41	1,442.77
Depreciation and amortization expense	32	1,647.23	1,700.72
Other expenses	33	9,688.51	10,572.40
Total expenses		**58,242.58**	**63,623.61**
Profit before tax		**655.93**	**3,911.93**
Income tax expense			
Current tax expense	34	454.47	-
Deferred tax benefit	34	(230.11)	-
		224.36	**-**
Profit for the year		**431.57**	**3,911.93**
Other comprehensive income/(expense)			
Items that will not be reclassified to profit or loss			
Re-measurement (loss)/ gain of defined benefit obligations	34	4.04	(47.07)
Income tax relating to remeasurement of defined benefit obligations		1.02	-
Net other comprehensive income/(expense) not to be reclassified subsequently to profit or loss (net of income tax)		**3.02**	**(47.07)**
Total other comprehensive income/(expense), net of tax		**3.02**	**(47.07)**
Total comprehensive income for the year		**434.59**	**3,864.86**
Earnings per equity share			
Basic and diluted earnings per equity share of Rs. 10 each	36	2.31	20.94

Notes forming part of the financial statements
As per our report of even date attached

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

Kaushal Kishore
Partner
Membership No.: 090075

Place: New Delhi
Date: June 25, 2020

For and on behalf of the Board of Directors of DCM Nouvelle Limited

Hemant Bharat Ram
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Chairperson & Director
DIN:06866256

Sandeep Kumar Jain
Chief Financial Officer
M.No.:078691

Kunal Agrawal
Company Secretary
M.No.: A35213

STATEMENT OF CASH FLOWS

for the year ended March 31, 2020

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Cash flow from operating activities		
Profit before tax	**655.93**	**3,911.93**
Adjustments for :		
Depreciation and amortization expense	1,647.23	1,700.72
Profit on sale of property, plant and equipment (net)	(0.36)	(2.73)
Unrealized foreign exchange difference	163.78	(47.68)
Interest income including interest subsidy	(95.50)	(154.02)
Finance costs	1,186.41	1,442.78
Operating cash flows before working capital changes	**3,557.49**	**6,851.00**
Changes in assets and liabilities		
Decrease/ (increase) in inventories	(1,040.11)	1,189.17
Decrease in trade receivables	967.79	225.62
Decrease/ (increase) in loans	318.67	(0.70)
(Increase) in other financial assets	(84.72)	(556.17)
Decrease/ (Increase) in other assets	(1,007.11)	1,091.91
(Decrease)/increase in trade payable	686.85	(3,546.36)
Increase in provisions	392.49	543.65
Increase in financial liabilities	95.74	270.96
Increase in other liabilities	97.80	116.56
Cash generated from operations	**3,984.89**	**6,185.64**
Income-taxes paid	(463.97)	-
Net cash generated from operating activities (A)	**3,520.92**	**6,185.64**
Cash flow from investing activities		
Purchase of property, plant and equipment	(3,565.94)	(1,327.29)
Proceeds from sale of property, plant and equipment	0.38	8.29
Interest received	95.76	156.36
Deposits matured not considered as cash and cash equivalents	79.84	0.14
Net cash generated used in investing activities (B)	**(3,389.96)**	**(1,162.50)**
Cash flow from financing activities		
Repayment of term loans	(1,332.44)	(1,536.93)
Proceeds from term loans	830.75	135.61
Net proceeds/ (repayment) of loans repayable on demand	655.65	(1,199.13)
Finance costs	(1,198.58)	(1,427.05)
Net cash used in financing activities (C)	**(1,044.62)**	**(4,027.50)**
Net cash flows [(decrease)/increase] during the year (A+B+C)	**(913.66)**	**995.64**
Cash and cash equivalents at the beginning of the year	1,015.96	20.32
Cash and cash equivalents at the end of the year	**102.30**	**1,015.96**
Components of cash and cash equivalents		
Cash on hand	15.05	8.56
Balances with banks:		
- Current accounts	7.41	1,007.26
- Deposit accounts	79.84	0.14
Cash and cash equivalents at the end of the year	**102.30**	**1,015.96**

Statement of Cash Flows for the year ended March 31, 2020 ... (Contd.)

Notes:

1. Changes in liabilities arising from financing activities

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Opening balance of borrowings		
Term loans (including current maturities)	5,930.92	7,332.24
Current borrowings	11,676.87	12,876.00
Cash flows		
Repayment of term loan	(1,332.44)	(1,536.93)
Proceeds from term loan	830.75	135.61
Change in current borrowings (net)	655.65	(1,199.13)
Closing balance of borrowings		
Term loan (including current maturities)	5,429.23	5,930.92
Current borrowings	12,332.52	11,676.87

2 The Cash flow statement has been prepared in accordance with 'Indirect Method' as set out in Ind AS-7- 'Statement of Cash Flows', as notified under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder.

Notes forming part of the financial statements
As per our report of even date attached

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

Kaushal Kishore
Partner
Membership No.: 090075

Place: New Delhi
Date: June 25, 2020

For and on behalf of the Board of Directors of DCM Nouvelle Limited

Hemant Bharat Ram
Managing Director
DIN:00150933

Dr. Meenakshi Nayar
Chairperson & Director
DIN:06866256

Sandeep Kumar Jain
Chief Financial Officer
M.No.:078691

Kunal Agrawal
Company Secretary
M.No.: A35213

STATEMENT OF CHANGES IN EQUITY

for the year ended March 31, 2020

A. Equity share capital (refer note 15)

(Rupees in lacs)

Particulars	No. of shares	Amount
Balance as at April 1, 2018	50,000	5.00
Adjustments on account of the scheme (refer note 37)		
Cancellation of shares held by DCM Limited as per the scheme (refer note 37)	(50,000)	(5.00)
Allotment of shares pursuant to the scheme (refer note 37)	1,86,77,749	1,867.77
Adjusted balance as at April 1, 2018	**1,86,77,749**	**1,867.77**
Balance as at March 31, 2019 (restated)	**1,86,77,749**	**1,867.77**
Balance as at March 31, 2020	**1,86,77,749**	**1,867.77**

B. Other equity attributable to equity holders (refer note 16)

(Rupees in lacs)

Particulars	Reserve and surplus		Total
	Securities premium	Retained earnings	
Balance as at April 1, 2018	**-**	**(1.41)**	**(1.41)**
Adjustment on account the scheme (refer note 37)	5,518.63	3,677.82	9,196.45
Adjusted balance as at April 1, 2018	**5,518.63**	**3,676.41**	**9,195.04**
Profit for the year	-	3,911.93	3,911.93
Other comprehensive expense	-	(47.07)	(47.07)
Balance as at March 31, 2019 (restated)	**5,518.63**	**7,541.27**	**13,059.90**
Profit for the year	-	431.57	431.57
Other comprehensive income	-	3.02	3.02
Balance as at March 31, 2020	**5,518.63**	**7,975.86**	**13,494.49**

Notes forming part of the financial statements
As per our report of even date attached

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

Kaushal Kishore
Partner
Membership No.: 090075

Place: New Delhi
Date: June 25, 2020

For and on behalf of the Board of Directors of DCM Nouvelle Limited

Hemant Bharat Ram
Managing Director
DIN:00150933

Dr. Meenakshi Nayar
Chairperson & Director
DIN:06866256

Sandeep Kumar Jain
Chief Financial Officer
M.No.:078691

Kunal Agrawal
Company Secretary
M.No.: A35213

NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2020

1. Company overview and basis of preparation and presentation

1.1. Company overview

DCM Nouvelle Limited (the 'Company') is a public limited company incorporated in India with registered office at Vikrant Tower, 4, Rajendra Place, New Delhi, India (CIN number L17309DL2016PLC307204). The National Company Law Tribunal ("NCLT"), vide its order dated May 1, 2019, has approved the Scheme of Arrangement ('the Scheme') between DCM Limited and the Company, for the demerger of Textile Division of DCM Limited, on a going concern basis with effect from April 1, 2019 (i.e. the appointed date) and pursuant to the scheme, the Company is primarily engaged in the business of manufacturing and sale of cotton yarn. The Company got its shares listed on two stock exchanges in India namely NSE and BSE, w.e.f July 16, 2019.

1.2. Basis of preparation and presentation

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

The financial statements were authorised for issue by the Company's Board of Directors on June 25, 2020.

Details of the Company's significant accounting policies are included in Note 2.

a. Functional and presentation currency

The financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs unless otherwise indicated and number of shares are mentioned in absolute numbers.

b. Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Derivative instruments	Fair value
Net defined benefit (asset)/ liability	Fairvalue of plan assets less present value of defined benefit obligations
Other financial assets and liabilities	Amortized cost

c. Use of 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 result may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

In the process of applying Company's accounting policies, there are no significant judgments established by the management.

Business combination – Defacto control

The National Company Law Tribunal ("NCLT"), vide its order dated May 1, 2019, has approved the Scheme of Arrangement ('the Scheme') between DCM Limited and the Company, for the demerger of the Textile Division of DCM Limited, on a going concern basis with effect from April 1, 2019 (i.e. the appointed date). The Company has accounted for the transaction by applying Ind AS 103 i.e Business Combinations.

For the purpose of establishing control, it has been considered that holding of 48.42% of equity share capital will establish de-facto control over the Company, considering various facts and circumstances such as the size of the investor's voting right relative to the size and dispersion of holdings of the other vote holders, voting pattern at previous shareholder's meetings etc. It has also been identified that the remaining voting rights are held by shareholders who are widely dispersed and none of the shareholders has any arrangements to consult any of the others or make collective decisions and therefore, with 48.42% interest would be sufficient to establish control.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended March 31, 2020 is included in the following notes:

Note 2 (b): Measurement of fair values

Note 2 (d): Measurement of useful lives and residual values to property, plant and equipment

Note 2 (e): Valuation of inventory

Note 2 (f): Estimated impairment of financial assets

Note2 (g): Estimated impairment of non-financial assets

Note 2 (h): Measurement of defined benefit obligations

Note 2 (i): Recognition and measurement of provisions and contingencies

Note 2 (l): recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used

2. Significant accounting policies

Following significant accounting policies are used in the preparation of the financial statements.

a. Current and non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized 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 realized 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.

Liabilities

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 unconditional right to defer settlement of the liability for at least 12 months after the reporting period. 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.

Current liabilities include the current portion of financial liabilities some part of which may be non-current. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

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.

b. Measurement of fair values

Company's certain accounting policies and disclosures require the measurement of fair values for financial assets and financial liabilities.

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 finance team has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the board of directors.

The finance team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

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

c. Business Combination under Common Control

A business combination involving entities or businesses under common control is a business combination

in which, all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Ind AS 103. Such transactions are accounted for using the pooling-of interest method.

The assets and liabilities of the acquired entities or businesses are recognised at their carrying amounts with the exception of certain income tax and deferred tax assets. No adjustments are made to reflect fair values or recognize any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies. The components of equity of the acquired entities or businesses are added to the same components within the acquirer's equity. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital held by the transferor is transferred to other equity. The acquirer's shares issued in consideration for the acquired entities or businesses are recognized from the moment the acquired entities or businesses are included in these financial statements and the financial statements are combined under common control, retrospectively, as if the transaction had occurred at the beginning of the earliest reporting period presented. Acquisition-related costs are expensed as incurred.

d. Property, Plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item 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. The cost of self-constructed assets includes the cost of materials, direct labour, and any other costs directly attributable to bringing the assets to a working condition and location for their intended use

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

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.

Gains or losses on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

All spare parts which are expected to be used for more than one accounting period are capitalised as property, plant and equipment.

Capital work-in-progress is stated at cost, net of impairment loss, if any.

The cost of replacing part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in the Statement of Profit and Loss as incurred.

Depreciation is provided on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using straight line method.

The depreciation charged on all property, plant and equipment is on the basis of useful life specified in Part "C" of Schedule II to the Companies Act, 2013 which represents useful lives of the assets.

On assets sold, discarded, etc., during the year, depreciation is provided up to the date of sale/discard. Depreciation has been calculated on a pro-rata basis in respect of acquisition/installation during the year.

Freehold land is not depreciated.

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

e. Inventories

Inventories are valued at lower of cost or net realizable value. Cost of raw material comprise cost of purchase and is determined after rebate and discounts. Cost of work in progress and finished goods comprises direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Cost of inventories also includes all other cost incurred in bringing the inventories to their present location and condition. Costs are determined on weighted average cost basis.

Waste material is valued at net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. When a decline in the price of materials indicates that the cost of the finished products exceeds net realisable value, the materials are written down to net realisable value. Net realizable value of raw material is determined with reference to the replacement cost of the raw materials.

f. 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.

Recognition and initial measurement

(i) Financial assets

Financial assets are classified, at initial recognition as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), and fair value through profit or loss (FVTPL).

With the exception of trade receivables that do not contain a significant financing component, the Company initially measures financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, 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 (j) Revenue recognition.

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

Classification and subsequent measurement

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not

designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in

the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. The Company elected to classify irrevocably its non- listed equity investments under this category. If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to the Statement of Profit and Loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

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

Impairment

The Company recognizes loss allowance usingthe expected credit loss (ECL) model for thefinancial assets which are not fair valued through profit or loss. 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.

(ii) 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 subsequentlymeasured 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.

(iii) Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and 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.

g. Impairment of non-financial assets

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. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash- generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, 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 CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Profit and Loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognized in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in estimate used to determine the recoverable amount. Such a reversal is made 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.

h. Employee benefits

Short-term employee benefits:

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. Employee benefit liabilities such as salaries, wages, casual leave allowance and bonus, etc. that are expected to be settled wholly within twelve months after the end of the year in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting year and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts.

Provident Fund and Employees State Insurance: The Company makes specified monthly contributions towards employee provident fund and employee state insurance to Government administered fund which is a defined contribution plan. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service and also includes contribution to national pension scheme.

Superannuation fund: The Company makes specified monthly contribution towards superannuation fund to Superannuation Trust which is managed by the Life Insurance Corporation of India ("LIC").

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's 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.

The Company has following defined benefit plan:

Gratuity: The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary, using the Projected Unit Credit Method, which recognises each period 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 as the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government securities as at the balance sheet date for the estimated term of the obligation.

Remeasurements of the defined benefit liability, which comprise actuarial gains and losses are recognized in OCI.

Other employee benefits plan

Compensated absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long-term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields on Government securities. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss in the period in which they arise. Past-service costs are recognised immediately in the Statement of Profit and Loss.

i. Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the amount of time value of money is material provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain 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 possibility of an outflow of economic benefits is remote.

j. Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer.

i. Sale of goods

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer. In case of domestic sales, control is transferred on actual delivery of goods and in case of export sales which are secured against letter of credit, control is transferred at the time of bill of lading and in case of other export sales, control is transferred when payment is received. 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.

Revenue is measured based on the transaction price, which is the consideration, adjusted for variable consideration such volume discounts, cash discounts etc. as specified in the contract with the customer.

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 assets are disclosed in Note 8 as Trade Receivables.

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 made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. Contract Liabilities are disclosed in Note 24 as Advances received from Customers.

ii. Rendering of services

Revenue from sale of services is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured and is recognized in the Statement of Profit and Loss in proportion to the stage of completion of the transaction at the reporting date

iii. Duty Drawback and other export benefits

The revenue in respect of duty drawback and similar other export benefits is recognised on accrual (subsequent to recording of export sales) basis at the rate at which the entitlements accrue.

Use of significant judgements in revenue recognition:

a) Judgement is also 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.

b) The Company uses judgement to determine an appropriate selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on thebasis of the relative selling price of each distinct product promised in the contract.

c) The Company's performance obligation under revenue contracts, is satisfied at a point in time and judgement is exercised in determining point in time.

iv. Other income

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability

When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.

k. Leases

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

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component

on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non- lease components

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right- of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the Statement of Profit and Loss

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and the Statement of Profit and Loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in the Statement of Profit and Loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

I. Income tax

Income tax comprises current and deferred tax. Current tax expense is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in other comprehensive income or equity, in which case it is recognized in other comprehensive income or equity.

i. Current tax

Current tax comprises the expected tax payable 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 reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax 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.

ii. Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits. Deferred tax is not recognized for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

- temporary differences related to 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 are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized 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 real.

m. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

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

The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The Company has only one reportable business segment i.e manufacture of cotton yarn.

n. Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes 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. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

o. Earnings per share

Basic earnings per equity share is computed by dividing:

— the net profit attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus element in equity shares issued during the year and excluding treasury shares.

Diluted earnings per share adjusts the figures used in the determination of basic earning per share to take into account:

— the after-income tax effect of interest and other financing cost associated with dilutive potential equity shares, and

— the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

p. Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

q. Government grant

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 operating income/other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit and Loss on a straight-line basis over the expected lives of the related assets and presented within other income.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

r. Foreign currency transactions and translation

Company's functional currency is Indian Rupee (INR) and the financial statements are presented in Indian Rupee (INR).

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. The resulting difference is recorded in the Statement of Profit and Loss.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the Statement of Profit and Loss.

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

s. Changes in Accounting Policies

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. This has resulted in recognizing right of use assets and lease liabilities as on April 1, 2019

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard with modified retrospective approach. The adoption of this standard did not have any impact on the financial statement of the Company.

t. Recent accounting pronouncements Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2020.

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

(Rupees in lacs)

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fittings	Office equipments	Vehicles	Total	Capital work-in-progress
Gross carrying value								
As at April 1, 2018	-	-	-	-	-	-	-	-
Adjustment on account of the scheme (refer note 37)	687.10	3,099.24	10,443.88	17.92	15.66	118.80	14,382.60	-
Adjusted balance as at April 1, 2018	687.10	3,099.24	10,443.88	17.92	15.66	118.80	14,382.60	-
Additions	-	8.32	463.52	1.83	9.45	26.49	509.61	521.35
Disposals /adjustments	-	-	3.49	0.00	0.16	4.00	7.65	501.30
As at April 1, 2019 (Restated)	**687.10**	**3,107.56**	**10,903.91**	**19.75**	**24.95**	**141.29**	**14,884.56**	**20.05**
Additions	1,501.25	24.79	102.70	1.24	3.49	42.99	1,676.46	1,392.12
Disposals /adjustments	-	-	-	-	0.02	-	0.02	173.82
Balance as at March 31, 2020	**2,188.35**	**3,132.35**	**11,006.61**	**20.99**	**28.42**	**184.28**	**16,561.00**	**1,238.35**
Accumulated Depreciation								
As at April 1, 2018	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Adjustment on account of the scheme (refer note 37)	-	224.57	3,465.32	7.52	7.24	39.60	3,744.25	-
Adjusted balance as at April 1, 2018	-	224.57	3,465.32	7.52	7.24	39.60	3,744.25	-
Depreciation charge during the year	-	112.33	1,551.78	2.89	5.56	28.17	1,700.73	-
Disposals / adjustments	-	-	-	-	-	2.10	2.10	-
Balance as at 31st March, 2019 (Restated)	-	336.90	5,017.10	10.41	12.80	65.67	5,442.88	-
Depreciation charge during the year	-	112.82	1,499.38	2.51	5.98	26.54	1,647.23	-
Disposals / adjustments	-	-	-	-	-	-	-	-
Balance as at March 31, 2020	**-**	**449.72**	**6,516.48**	**12.92**	**18.78**	**92.21**	**7,090.11**	**-**
Net carrying value								
As at March 31, 2019 (Restated)	**687.10**	**2770.66**	**5886.81**	**9.34**	**12.15**	**75.62**	**9,441.68**	**20.05**
As at March 31, 2020	**2,188.35**	**2,682.63**	**4,490.13**	**8.07**	**9.64**	**92.07**	**9,470.89**	**1,238.35**

(i) Refer note 17 and 20 for charge created on property, plant and equipment as security against borrowings.

(ii) Contractual obligations: Refer to note 39 for disclosure on contractual commitments for acquisition of property, plant and equipment.

(iii) Capital work-in-progress includes borrowing cost capitalized of Rs. 61.81 lacs (March 31, 2019 : Nil)

(iv) Land amounting to Rs. 687.10 lacs, admeasuring 267 acres registered in the name of the Company on March 17 2020.

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
4. Loans		
Unsecured, considered good		
Security deposits	6.22	331.80
Total	**6.22**	**331.80**

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
5. Other non-current financial assets		
Unsecured, considered good		
Deposits with remaining maturities of more than twelve months	-	1.21
Total	**-**	**1.21**

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
6. Other non-current assets		
Unsecured, considered good		
Capital advances	812.83	141.37
Prepaid expenses	770.22	-
Advances other than capital advances		
-Balances with government authorities	12.55	12.55
	1,595.60	**153.92**

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
7. Inventories#		
Raw materials	13,353.82	12,864.73
Work-in-progress	651.96	702.29
Finished goods*	3,406.41	3,006.37
Stores and spares**	111.44	117.35
Others-waste materials	460.67	253.45
Total	**17,984.30**	**16,944.19**

Refer note 28, 29 and 33 for expense recognized during the year.

* Includes finished goods in transit Rs.1,450.62 lacs (March 31, 2019: Rs.1,610.48 lacs)

** Stores and spares includes packing materials of Rs. 24.41 lacs (March 31, 2019 : Rs. 21.84 lacs) and lubricants and oil of Rs. 28.11 lacs (March 31, 2019 : Rs. 30.46 lacs)

(i) Refer note 17 and 20 for charge created on inventories as security against borrowings.

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
8. Trade receivables#		
(other than related parties)		
Secured, considered good	5,551.47	5,280.53
Unsecured, considered good	113.98	1,349.70
Unsecured, credit impaired	115.26	115.26
	5,780.71	**6,745.49**
Less: Loss allowance for expected credit loss	(118.27)	(115.26)
Total	**5,662.44**	**6,630.23**

Represents contract assets.

(i) Refer note 17 and 20 for charge created on trade receivables as security against borrowings.

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
9. Cash and cash equivalents		
Balances with banks:		
- in current accounts	7.41	1,007.26
Cash on hand	15.05	8.56
Total	**22.46**	**1,015.82**

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
10. Bank balances other than cash and cash equivalents		
Margin money (held as security in form of fixed deposit)*	79.84	0.14
Total	**79.84**	**0.14**

* Represents deposit receipts pledged with banks and held as margin money of Rs. 79.09 lacs (March 31, 2019 - nil)

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
11. Loans		
Unsecured, considered good		
Loans to employees	31.83	24.92
Total	**31.83**	**24.92**

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
12. Other current financial assets		
Unsecured, considered doubtful		
Technology upgradation fund (TUF) subsidy receivable	137.02	73.08
Less: Impairment allowance (refer note 35)	24.03	-
	112.99	**73.08**
Unsecured, considered good		
Balance with Government authorities	532.64	541.00
Export incentive receivable	133.66	111.22
Insurance claim receivables	-	1.44
Forward contract receivable (gain)	-	47.68
Others	1.22	-
Total	**780.51**	**774.42**

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
13. Current tax assets (net)		
Advance income tax (net of provision for income tax Rs 454.47 lacs (March 31, 2019: Rs. Nil))	9.50	-
Total	**9.50**	**-**

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
14. Other current assets		
Unsecured, considered good		
Advances to suppliers	41.11	52.52
Prepaid expenses	47.53	60.80
Balance with government authorities	417.47	308.53
Deferred rent	-	0.11
Prepaid electricity charges	153.23	-
Others	1.08	1.57
Total	**660.43**	**423.53**

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
15. Equity share capital		
a) Authorized		
2,00,50,000 (March 31, 2019: 2,00,50,000) equity shares of Rs. 10 each	2,005.00	2,005.00
	2,005.00	**2,005.00**
b) Issued, subscribed and fully paid-up		
1,86,77,749 (March 31, 2019: 1,86,77,749) equity shares of Rs. 10 each fully paid-up	1,867.77	1,867.77
Total issued, subscribed and fully paid-up share capital	1,867.77	1,867.77

c) Terms and rights attached to equity shares

The Company has one class of shares referred to as equity shares. Each holder of equity shares is entitled to one vote per share. 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 number of equity shares held by the shareholders. There is no restriction on distribution of dividend. However, distribution of dividend is subject to the approval of the shareholders in the Annual General Meeting.

d) Reconciliation of the shares outstanding at the beginning and at the end of year:

Particulars	As at March 31, 2020		As at March 31, 2019 (Restated)	
	Number of shares	Amount Rupees in lacs	Number of shares	Amount Rupees in lacs
Equity shares				
At the commencement of the year	**1,86,77,749**	**1,867.77**	**50,000**	**5.00**
Adjustment on account of the scheme (refer note 37)				
Cancellation of shares held by DCM Limited as per the scheme	-	-	(50,000)	(5.00)
Allotment of shares pursuant to the scheme	-	-	1,86,77,749	1,867.77
Adjusted balance at the commencement of the year	**1,86,77,749**	**1,867.77**	**1,86,77,749**	**1,867.77**
Changes in equity share capital during the year	-	-	-	-
At the end of the year	**1,86,77,749**	**1,867.77**	**1,86,77,749**	**1,867.77**

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

Particulars	As at March 31, 2020		As at March 31, 2019 (Restated)	
	Number of shares	% of holding	Number of shares	% of holding
Mr. Hemant Bharat Ram	93,32,705	49.97%	-	-
Life Insurance Corporation of India	11,48,512	6.15%	-	-
DCM limited*#	-	-	1,86,77,749	100.00%

* including shares held jointly by its nominees

As on March 31, 2019, Mr. Vinay Bharat Ram and Life Insurance Corporation of India were respectively holding 48.42% and 6.15% (i.e more than 5%) of the aggregate shares in the DCM Limited.

(f) Details of shares issued for consideration other than cash :

On June 04 2019; 1,86,77,749 equity shares has been issued in pursuant to the Scheme of Arrangement ('the Scheme') between DCM Limited and DCM Nouvelle Limited, for the demerger of the Textile Division of DCM Limited, on a going concern basis with effect from April 1, 2019 (i.e. the appointed date) to the shareholders holding shares of DCM Limited (Demerged Company) on the Record date, i.e. May 31,2019, in the ratio of 1:1. Further pursuant to clause 15.2.7 of this Scheme, 50,000 equity shares of Rs. 10/- each held by DCM Limited (Demerged Company) were cancelled. The said equity shares were listed with BSE Ltd. and National Stock Exchange of India Ltd. with effect from July 16, 2019. Other than this, the Company has not issued any share for consideration other than cash during previous five years.

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
16. Other equity		
Securities premium		
Balance as at the beginning of year	5,518.63	-
Adjustment on account the scheme (refer note 37)	-	5,518.63
Adjusted balance as at the beginning of year	**5,518.63**	**5,518.63**
Balance as at the end of year	**5,518.63**	**5,518.63**
Retained earnings		
Balance as at the beginning of the year	**7,541.27**	**(1.41)**
Adjustment on account the scheme (refer note 37)	-	3,677.82
Adjusted balance as at the beginning of year	**7,541.27**	**3,676.41**
Profit for the year	431.57	3,911.93
Other comprehensive income	3.02	(47.07)
Balance as at the end of the year	**7,975.86**	**7,541.27**
Total	**13,494.49**	**13,059.90**

Nature and purpose of other equity:

Securities Premium

Securities premium is used to record the premium on issue of shares. This amount is utilized in accordance with the provisions of the Companies Act, 2013.

Retained earnings

Retained earnings of the Company are kept aside out of the Company's profits to meet future (known or unknown) obligations.

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
17. Non-current borrowings		
Secured Term loans		
From banks	5,429.23	5,930.91
Total non-current borrowings	**5,429.23**	**5,930.91**
Less: Current maturities on non-current borrowings (refer note 22)	1,098.46	1,325.39
Total non-current borrowings	**4,330.77**	**4,605.52**

Secured :-

From banks:

(a) Term loans aggregating Rs.5,370.27 lacs (March 31, 2019: Rs.5,894.93 lacs) are secured by first charge created on all fixed assets, along with the second charge created for availing cash credit, packing credit and Bill discounting facilities described in note 20, on entire current assets both existing as well as future and an equitable mortgage by deposit of title deeds of land measuring 129.47 acres (out of total of 267 acres situated at Hisar) and all the immovable assets including building, both present and future. Rs 4,219 lacs are repayable in 12 quarterly installments along with interest rate of 1 year MCLR plus 2.95% p.a, Rs. 905.26 lacs are repayable in 32 quarterly installments along with interest rate of 1 year MCLR plus 2.95% p.a and Rs. 246.01 lacs are repayable in 24 quarterly installments along with interest rate of 1 year MCLR plus 0.3% p.a.

(b) Rs.58.96 lacs (March 31, 2019: Rs.35.98 lacs) relate to assets purchased under financing arrangements with banks/finance and are secured by way of hypothecation of the specified assets. Repayable in equated monthly installments. The loans carry an interest rate ranging between 8.55%-9.65% per annum.

There is no default as on the balance sheet date in repayment of loans and interest thereon.

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
18. Other non-current financial liabilities		
Unsecured, considered good		
Security deposits	11.98	8.10
	11.98	**8.10**

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
19. Non-current provisions		
Provision for employee benefits (Refer note 41)		
- Gratuity	479.62	445.45
- Compensated absences	194.49	191.03
Total	**674.11**	**636.48**

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
20. Current borrowings		
Secured		
Loans repayable on demand from banks	12,496.98	11,676.87
Total	**12,496.98**	**11,676.87**

Cash credit, packing credit and bill discounting facilities aggregating to Rs 12,496.98 lacs (March 31, 2019 Rs 11,676.87 lacs) carries interest rate of 1 year MCLR plus 2.75% p.a.and 1 year MCLR p.a. These are secured by first charge created on entire current assets along with the second charge created on entire fixed assets, both present and future. Also secured by an equitable mortgage of land admeasuring 129.47 acres and all immovable assets including building, situated at Hissar and hypothecation of existing as well as future block of movable assets ranking pari-passu with the charge created for availing term loans as described in note 17.

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
21. Trade payables		
(other than related parties)		
Dues to micro and small enterprises *	80.62	76.74
Dues to others	1,407.24	724.27
Total	**1,487.86**	**801.01**

* The following details relating to Micro, Small and Medium Enterprises is disclosed:

(Rupees in lacs)

Particulars		As at March 31, 2020	As at March 31, 2019 (Restated)
(a)	The amounts remaining unpaid to micro and small enterprises as at the end of the year- Principal (includes payable to capital creditor of Rs.150.69 lacs (March 31, 2019: Rs. 2.27) (refer note 22)	231.31	79.01
(b)	The amounts remaining unpaid to micro, small and medium enterprises as at the end of the year- Interest	-	-
(c)	the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, during each accounting year	-	-
(d)	The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
(e)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under Micro Small and Medium Enterprises Development Act, 2006.	-	-
(f)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(g)	The amount of further interest remaining due and payable even in the succeeding periods, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the Micro Small and Medium Enterprises Development Act, 2006.	-	-

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
22. Other current financial liabilities		
Current maturities of term loan (refer note 17)	1,098.46	1,325.39
Security deposits received	0.56	0.58
Interest accrued but not due on borrowings	81.62	94.17
Employee related payable	622.06	762.57
Liability for capital goods		
Payable to micro and small enterprises *	150.69	2.27
Payable to others	213.07	129.10
Total	**2,166.46**	**2,314.08**

* Refer note 21

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
23. Other current liabilities		
Statutory dues payables	84.32	135.65
Other payables	-	5.53
Total	**84.32**	**141.18**

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
24. Contract liabilities		
Advances from customers	402.76	248.09
Total	**402.76**	**248.09**

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
25. Current provisions		
Provision for employee benefits (Refer note 41)		
- Gratuity	130.91	118.47
- Compensated absences	28.50	27.20
Provision against TUF Scheme (refer note 35)	282.27	-
Provision against electricity duty on open access power (refer note 40)	312.28	257.24
Total	**753.96**	**402.91**

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
26. Revenue from operations		
Sale of product (Cotton yarn)		
Domestic sales	26,270.94	20,626.47
Export sales	27,296.65	41,054.30
	53,567.59	**61,680.77**
Other operating revenues		
Sale of waste material	4,460.19	4,457.29
Duty drawback and other export incentives	474.72	571.33
Miscellaneous sale	19.24	40.54
	4,954.15	**5,069.16**
Total	**58,521.74**	**66,749.93**

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Contract Balance		
Trade receivables (refer note 8)	5,662.44	6,630.23
Contract liability- Advance from customers (refer note 24)	402.76	248.09

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Reconciliation of revenue recognized with the contracted price		
Contracted price	58,744.99	66,931.78
Reduction towards variable consideration components*	(223.25)	(181.85)
Revenue recognized	**58,521.74**	**66,749.93**

*The adjustments are made to the contract price comprises of cash discount and credit.

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
27. Other income		
Interest income on financial assets at amortized cost		
- Deposits with others	-	0.43
-Other interest income	31.82	35.32
Net gain on foreign currency transactions	230.14	575.34
Interest subsidy (TUFS) on borrowings (refer note 35)	63.94	118.27
Profit on sale of property, plant and equipment (net)	0.36	2.73
Miscellaneous income	50.51	53.52
Total	**376.77**	**785.61**

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
28. Cost of raw materials consumed		
Inventory of Cotton at the beginning of the year	12,864.73	13,674.01
Add: Purchases of Cotton	42,627.88	44,898.01
	55,492.61	**58,572.02**
Inventory of Cotton at the end of the year	13,353.82	12,864.73
Cost of raw materials consumed	**42,138.79**	**45,707.29**

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
29. Changes in inventories of finished goods and work-in-progress		
Inventories at the end of the year:		
Finished goods- Cotton yarn	3,406.41	3,006.37
Work-in-progress	1,112.63	955.74
Total	**4,519.04**	**3,962.11**
Inventories at the beginning of the year:		
Finished goods- Cotton yarn	3,006.37	3,269.59
Work-in-progress	955.74	1,082.28
Total	**3,962.11**	**4,351.87**
(Increase)/decrease in inventory	**(556.93)**	**389.76**

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
30. Employee benefits expense		
Salaries, wages and bonus	3,647.55	3,332.75
Contribution to provident and other funds	316.19	316.14
Gratuity expense (Refer note 41)	89.43	78.61
Staff welfare expenses	85.40	83.17
Total	**4,138.57**	**3,810.67**

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
31. Finance costs		
Interest on debts and borrowings	820.05	1,066.69
Other borrowing costs	366.36	376.09
Total	**1,186.41**	**1,442.78**

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
32. Depreciation and amortization expense		
Depreciation on property, plant and equipment	1,647.23	1,700.72
Total	**1,647.23**	**1,700.72**

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
33. Other expenses		
Consumption of stores and spare parts	1,257.39	1,322.97
Power, fuel and water charges	5,450.93	6,125.17
Rent	21.62	22.03
Repairs and maintenance		
- Building	22.32	59.10
-Plant and machinery	52.54	71.57
-Others	11.99	9.20
Freight and forwarding expenses	1,093.73	1,221.98
Insurance	65.34	28.00
Rates and taxes	53.58	16.12
Directors' sitting fees	5.80	-
Legal and professional fees	323.21	194.81
Payment to Auditor (refer note (i) below)	23.48	0.20
Travelling and conveyance	108.46	108.18
Commission to selling agents (other than sole selling)	279.45	377.45
Donations	0.32	0.11
Expenses related to business combination*	314.50	-
Expenditure on corporate social responsibility (refer note 43)	12.09	-
Provision against TUF subsidy (refer note 35)	306.30	-
Allowance for bad trade and other receivables, loans and advances	3.01	88.65
Business support service expenses	72.90	739.00
Miscellaneous expenses	209.55	187.86
Total	**9,688.51**	**10,572.40**

*Includes Rs. 239.29 lacs related to stamp duty expense on transfer of land at Hisar. Also refer note 37.

(i) Payment to Auditor

Statutory audit fee	12.00	0.09
Tax audit fee	2.00	-
Other services	8.00	0.11
Re-imbursement of expenses	1.48	-
Total	**23.48**	**0.20**

Note 34: Income tax expense

The major components of income tax expense for the year ended March 31, 2020 and March 31, 2019 are:

Statement of Profit and Loss:

(a) Profit and Loss

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current income tax		
Current income tax charge	454.47	-
	454.47	**-**
Deferred tax credit :		
Relating to origination and reversal of temporary differences	(230.11)	-
Income tax expense reported in the Statement of Profit and Loss	**224.36**	**-**

(b) Other comprehensive income/(expense) (OCI)

Deferred tax related to items recognized in OCI during the year

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Items that will not be reclassified to profit or loss		
Re-measurement (loss)/ gain of defined benefit obligations	4.04	(47.07)
Income tax relating to remeasurement of defined benefit obligations	(1.02)	-
Net other comprehensive income/(expense) not to be	**3.02**	**(47.07)**
reclassified subsequently to profit or loss net of		

Deferred tax assets (net)

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax assets		
Provision for gratuity and compensated absences	209.91	
Provision for Bonus	73.52	-
Provision against TUF subsidy	77.09	-
Provision for trade receivables and other advances	29.77	-
Expenses related to business combination	63.32	-
Others	1.52	-
Deferred tax liabilities		
Property, plant and equipment	(225.02)	-
Deferred tax assets (net)	**230.11**	**-**

As at March 31, 2019, Textile division (now the Company) was part of DCM Limited (refer note 37) and in the absence of projected taxable profits, no Deferred tax asset was recognised in the books of DCM Limited. Consequently, deferred tax liability amounting to Rs.55.13 lacs pertaining to such Textile division was also not recognised as at March 31, 2019.

(c) Movement in Deferred tax assets (net)

(Rupees in lacs)

Particulars	Balance as at March 31, 2019	Recognized in profit and loss during 2019-20	Recognized in OCI during 2019-20	Balance as at March 31, 2020
Deferred tax assets				
Provision for gratuity and compensated absences	-	209.91	(1.02)	208.89
Provision for bonus	-	73.52	-	73.52
Provision against TUF subsidy	-	77.09	-	77.09
Provision for trade receivables and other advances	-	29.77	-	29.77
Expenses related to business combination	-	63.32	-	63.32
Others	-	1.52	-	1.52
Deferred tax liabilities				
Property, plant and equipment	-	(225.02)	-	(225.02)
Deferred tax assets (net)	**-**	**230.11**	**(1.02)**	**229.09**

As at March 31, 2019, Textile division (now the Company) was part of DCM Limited (refer note 37) and in the absence of projected taxable profits, no Deferred tax asset was recognised in the books of DCM Limited. Consequently, deferred tax liability amounting to Rs.55.13 lacs pertaining to such Textile division was also not recognised as at March 31, 2019.

(d) Reconciliation of effective tax rate

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Accounting profit before tax from continuing operations	655.93	3,911.93
Tax at India's statutory income tax rate of 25.17% (March 31, 2019 : Nil)	165.08	-
Non deductible expenses for tax purposes:		
Expenditure on corporate social responsibility	3.04	-
Donations	0.08	-
Adjustments		
Adjustment in respect of deferred tax expense pertaining to the balances acquired as per scheme (refer note 37)	55.13	-
At the effective income tax rate	223.34	-
Income tax expenses reported in the statement of profit and loss	**223.34**	**-**

Note 35 : Government grants

(Rupees in lacs)

Particulars	March 31, 2020	March 31, 2019 (Restated)
Opening balance	184.30	193.87
Received during the year	452.28	699.17
Released to the statement of profit and loss*	538.66	689.60
Impairment allowance**	(24.03)	-
Closing balance	**246.65**	**184.30**
Current portion	**246.65**	**184.30**

Nature of Government grants (refer note 12)

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
TUF scheme	112.99	73.08
Export incentives (duty drawback)	133.66	111.22
Total	**246.65**	**184.30**

* Includes export incentives of Rs. 474.72 lacs (March 31, 2019 - Rs. 571.33 lacs) and Interest subsidy (TUF Scheme) of Rs. 63.94 lacs (March 31, 2019 - Rs. 118.27 lacs)

** The Company has been accruing interest subsidy on the term loan taken for installation of plant and machinery, eligible under Technology Upgradation Fund ("TUF") schemes issued by the Ministry of Textiles. During the current year, inspections have been carried out by authorities and have shared their draft observations with the Company, in respect of the certain interpretations made in the earlier years for computation of TUF subsidy. Basis such discussions with the authorities and draft observations received, the management has recorded a provision of Rs. 282.27 lacs (including interest) (refer note 25) in respect of the amounts which had already been received in the prior years by erstwhile Textile Division of DCM Limited and have, also, recognized an impairment allowance of Rs. 24.03 lacs (refer note 12) against receivables from the authorities in respect of TUF subsidy. Cumulatively, this has led to recognition of expense of Rs. 306.30 lacs (refer note 33) in the Statement of Profit and Loss for the year ended March 31, 2020

Note 36 : Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Profit attributable to equity holders (Rs. Lacs)	431.57	3,911.93
Weighted average number of Equity shares for basic and diluted EPS (Lacs)	1,86,77,749	1,86,77,749
Basic and diluted earnings per share (Face value per equity share Rs. 10 each) (Rs.)	2.31	20.94

Note 37: Scheme of Arrangement (Demerger of Textile Division)

The National Company Law Tribunal ("NCLT"), vide its order dated May 1, 2019, approved the Scheme of Arrangement ('the Scheme') between DCM Limited and DCM Nouvelle Limited, for the demerger of the Textile Division of DCM Limited, on a going concern basis with effect from April 1, 2019 (i.e. the appointed date). Consequently, the assets and liabilities aggregating Rs. 35,758 lacs and Rs. 20,833 lacs respectively, of the Textile Division of DCM Limited have been transferred with effect from the aforesaid appointed date to DCM Nouvelle Limited at their carrying values, determined in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. The Company has also taken over securities premiumof Rs. 5,518 lacs and free reserves of Rs. 7,544 lacs and issued equity shares of Rs. 1,868 lacs after cancelling the entire share capital held by the DCM Limited as on effective date (April 1, 2019) in DCM Nouvelle Limited amounting to Rs. 5 lacs, pursuant to the aforesaid scheme.

Pursuant to the aforesaid Scheme, the Board of Directors of the Company, at its meeting held on June 04, 2019 had allotted 1,86,77,749 number of equity shares of Rs.10 each to the shareholders of DCM Limited. The said equity shares were listed with BSE Ltd. and National Stock Exchange of India Ltd. with effect from July 16, 2019.

The impact of this scheme on the audited financial statements for the year is given below :

(Rupees in lacs)

Particulars	Amount as at April 1, 2019
Assets Textile division of the transferor company at their book value	
Property, plant and equipment	9,441.68
Capital work-in progress	20.05
Financial assets	
(i) Loans	331.80
(ii) Other financial assets	1.21
Other non-current assets	153.92
Total non-current assets	**9,948.66**
Current assets	
Inventories	16,944.19
Financial assets	
(i) Trade receivables	6,630.23
(ii) Cash and cash equivalents	1,012.23
(iii) Bank balances other than Cash and cash equivalents	0.14
(iv) Loans	24.92
(v) Other financial assets	774.42
Other current assets	423.53
Total current assets	**25,809.66**
Total assets (A)	**35,758.32**
Liabilities of the Textile division of the transferor company at their book value Non current liabilities	
Financial liabilities	
(i) Borrowings	4,605.52
(ii) Other financial liabilities	8.10
Provisions	636.48
Total non- current liabilities	**5,250.10**
Current liabilities	
Financial liabilities	
(i) Borrowings	11,676.87
(ii) Trade payables	
(a) Total outstanding dues of micro and small enterprises	76.74
(b) Total outstanding dues of creditors other than micro and small enterprises	724.27
(iii) Other financial liabilities	2,314.08
Other current liabilities	141.18
Contract liabilities	248.09
Provisions	402.91
Total current liabilities	**15,584.14**
Total liabilities (B)	**20,834.24**
Net assets acquired (A- B)	**14,924.08**
Cancellation of shares held by DCM Limited as per the scheme	5.00
Total	**14,929.08**
Allotment of shares pursuant to the scheme (no. of shares 1,86,77,749 @ Rs. 10 each)	1,867.77
Other Equity	
-Securities premium	5,518.63
-Retained earnings	7,542.68
Total	**14,929.08**

In accordance with the requirements of the Indian Accounting Standard 103 "Business Combination", the comparative Ind AS financial information has been restated as if the demerger had occurred from the beginning of the preceding period i.e. April 1, 2018.

Accordingly, the impact of this scheme on the balance sheet as at April 1, 2018 is given below

(Rupees in lacs)

Particulars	DCM Nouvelle Limited (as per audited Balance Sheet as at March 31 2018)	Textile division	Total (As per restated Balance Sheet as at April 1, 2018)
Assets at their book value			
Property, plant and equipment	-	10,638.35	10,638.35
Capital work-in progress	-	-	-
Financial assets			
(i) Loans	-	331.80	331.80
Other non-current assets	-	43.55	43.55
Total non-current assets	**-**	**11,013.70**	**11,013.70**
Current assets			
Inventories	-	18,133.36	18,133.36
Financial assets			
(i) Trade receivables	-	6,855.85	6,855.85
(ii) Cash and cash equivalents	3.68	16.65	20.33
(iii) Bank balances other than Cash and cash equivalents	-	121.50	121.50
(iv) Loans	-	24.22	24.22
(v) Other financial assets	-	53.04	53.04
Other current assets	-	1,286.58	1,286.58
Total current assets	**3.68**	**26,491.20**	**26,494.88**
Total assets (A)	**3.68**	**37,504.90**	**37,508.58**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	5.00	1,867.77	1,867.77
Other equity	(1.41)	9,194.13	9,197.72
Total equity	**3.59**	**11,061.90**	**11,065.49**
Liabilities at their book value			
Non current liabilities			
Financial liabilities			
(i) Borrowings	-	5,792.54	5,792.54
(ii) Other financial liabilities	0.09	118.26	118.35
Provisions	-	540.99	540.99
Total non- current liabilities	**0.09**	**6,451.79**	**6,451.88**
Current liabilities			
Financial liabilities			
(i) Borrowings	-	12,876.00	12,876.00
(ii) Trade payables			
(a) Total outstanding dues of micro and small enterprises	-	-	-
(b) Total outstanding dues of creditors other than micro and small enterprises	-	4,347.37	4,347.37
(iii) Other financial liabilities	-	2,131.64	2,131.64
Other current liabilities	-	156.94	156.94
Provisions	-	479.26	479.26
Total current liabilities	**-**	**19,991.21**	**19,991.21**
Total liabilities	**0.09**	**26,443.00**	**26,443.09**
Total Equity and liabilities (B)	**3.68**	**37,504.90**	**37,508.58**

Statement of Profit and Loss for the year ended March 31, 2019

(Rupees in lacs)

Particulars	DCM Nouvelle Limited (as per audited Statement of Profit and Loss for the year ended March 31, 2019	Textile division	Total (Restated)
Income			
Revenue from operations	-	66,749.93	66,749.93
Other income	-	785.61	785.61
Total income	**-**	**67,535.54**	**67,535.54**
Expenses			
Cost of materials consumed	-	45,707.29	45,707.29
Changes in inventories of finished goods and work in progress	-	389.76	389.76
Employee benefits expense	-	3,810.67	3,810.67
Finance costs	-	1,442.77	1,442.77
Depreciation and amortization expense	-	1,700.72	1,700.72
Other expenses	0.24	10,572.16	10,572.40
Total expenses	**0.24**	**63,623.37**	**63,623.61**
Profit/(Loss) for the year	**(0.24)**	**3,912.17**	**3911.93**
Other comprehensive income/(expense)			
Items that will not be reclassified to profit or loss			
Re-measurement (loss)/ gain of defined benefit obligations	-	(47.07)	(47.07)
Income tax relating to remeasurement of defined benefit obligations		-	-
Net other comprehensive income/(expense) not to be reclassified subsequently to	**-**		
profit or loss (net of income tax)		**(47.07)**	**(47.07)**
Total other comprehensive income/(expense), net of tax	**-**	**(47.07)**	**(47.07)**
Total comprehensive income for the year	**(0.24)**	**3,865.09**	**3,864.86**

Note 38: Segment Information

Description of segments and principal activities

The Company is primarily engaged in the business of manufacturing and sale of cotton yarn.

Operating segments are reported in a manner consistent with the internal reporting to the Chief Operating Decision Maker “CODM” of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments . The Company has monthlyreview and forecasting procedure in place and CODM reviews the operations of the Company as a whole, hence there are no reportable segments as per Ind AS 108 “Operating Segments”

A. Disaggregated revenue information

i) Revenue from external customers

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
India (a)	31,225.09	25,695.63
Outside India		
China	14,507.23	26,845.45
Bangladesh	4,467.47	3,980.24
Other countries	8,321.96	10,228.61
Outside India (b)	27,296.65	41,054.30
Total (a+b)	**58,521.74**	**66,749.93**

ii) Segment Assets

Total of non-current assets other than financial instruments and deferred tax assets broken down by location of the assets, is shown below:

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
India	12,304.84	9,615.65
Outside India	-	-
Total	**12,304.84**	**9,615.65**

Note 39 : Capital commitments

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	324.30	1,154.04

Note 40 : Provision against electricity duty on open access power

The Company has filed writ petition in 2014 before Punjab And Haryana High Court challenging the charge of electricity duty on the power purchased through inter-state short term open access. Dakshin Haryana Bijli Vitran Nigam (DHBVN) issued a sales circular no. 7/2010 clarifying the levy of electricity duty @ Rs. 0.10/KWH chargeable to the open access consumers on the power contracted and drawn. This has been challenged by the Company in front of "High Court of Punjab and Haryana" at Chandigarh and order is pending. Further, on a prudent basis, the Company is carrying provision of Rs. 312.28 lacs (refer note 25) in the books of accounts equivalent to the amount under dispute.

Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Opening balance	257.24	-
Adjustment on account of the scheme (refer note 37)	-	244.10
Adjusted opening balance	**257.24**	**244.10**
Addition during the year	55.04	13.14
Balance at the end of the year	**312.28**	**257.24**

Note 41 : Employee benefits

A Defined contribution plans

The Company deposits an amount determined at a fixed percentage of basic pay every month to the Provident Fund and Employee State Insurance (ESI) for the benefit of the employees.

Amount recognized in the Statement of Profit and Loss is as follows (refer note 31):

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Contribution to provident fund	192.80	184.37
Contribution to superannuation fund	50.20	33.83
Contribution to Employee's state insurance	73.19	97.94
Total	**316.19**	**316.14**

B Defined benefit plans

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of services gets a gratuity on separation at 15 days salary (last drawn salary) for each completed year of service. Gratuity liability is accrued based on actuarial valuation at the balance sheet date carried out by an independent actuary.

The reconciliation of opening and closing balances of the present value of the defined benefit obligations are as below:

i) Reconciliation of present value of defined benefit obligation

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Obligations at the beginning of year	**563.92**	**335.44**
Adjustment on account of the scheme (refer note 37)	-	127.34
Adjusted obligations at the beginning of year	**563.92**	**127.34**
Current service cost	56.68	53.46
Interest cost	32.75	25.15
Amount recognized in profit or loss	**89.43**	**78.61**
Remeasurements		
Actuarial (gains)/ losses recognized in other comprehensive income/ (expense)	(4.04)	47.07
Benefits paid	**(39.13)**	**(24.54)**
Obligation at the end year	**610.18**	**563.92**
Non current	479.62	445.45
Current	130.91	118.47

ii) Liabilities recognized in the Balance Sheet

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Defined benefit liability- Gratuity	610.53	563.92
Total employee benefit liabilities		
Non current	479.62	445.45
Current	130.91	118.47
Total	**610.53**	**563.92**

iii) Defined benefit obligations cost for the year :

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Current service cost	56.68	53.46
Interest cost	32.75	25.15
Actuarial (gains)/ losses recognized in other comprehensive income/(expense)	(4.04)	47.07
Net cost	**85.39**	**125.68**

iv) Actuarial assumptions :

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

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Financial assumptions		
Discount rate per annum	6.79%	7.50%
Future salary growth rate	5.00%	6.00%
Demographic assumptions		
Retirement age (years)	58 years	58 years
Mortality rates inclusive of provision for disability	"IALM(2012-14) ultimate"	"IALM (2006-08) ultimate"
Attrition rate		
Upto 30 years	5.84%	3.00%
31 to 44 years	2.19%	2.00%
Above 44 years	0.73%	1.00%

Note: As at March 31, 2020, the weighted average duration of the defined benefit obligation was 16.50 years (March 31, 2019 : 17.99 years)

v) Bifurcation of actuarial gain/ loss on obligation

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Actuarial (gain)/loss on arising from change in demographic assumption	0.22	4.47
Actuarial (gain)/loss on arising from change in financial assumption	(13.64)	-
Actuarial (gain)/loss on arising from change in experience assumption	9.38	42.60

vi) Expected contributions to the Fund in next year

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Gratuity	100.91	93.02

vii) Sensitivity analysis

The sensitivity of defined benefit obligation to changes in the weighted principal assumptions is :

(Rupees in lacs)

Particulars	For the year ended March 31, 2020		For the year ended March 31, 2019 (Restated)	
	Increase in obligation	Decrease in obligation	Increase in obligation	Decrease in obligation
Discount rate per annum (0.50 %)	(21.06)	22.79	(19.20)	21.01
Future salary growth rate (0.50 %)	23.08	(21.50)	21.21	(19.54)

Above sensitivity analysis is based on a change in assumption while holding all the other assumptions constant. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognized in balance sheet.

viii) Maturity profile

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

(Rupees in lacs)

Particulars	March 31, 2020	March 31, 2019 (Restated)
Year 1	130.91	118.47
Year 2	10.32	5.25
Year 3	20.62	6.95
Year 4	155.07	5.65
Year 5	13.66	11.69
Year 6	8.86	7.02
Next to 6 years	270.74	408.89

ix) Description of Risk Exposures:

The gratuity scheme is a final salary Defined Benefit Plan that provides for lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design means the risk commonly affecting the liabilities and the financial results are expected to be

a. Interest rate risk: The defined benefit obligation calculated uses a discount rate based on government bonds, if bond yield fall, the defined benefit obligation will tend to increase

b. Salary inflation risk: Higher than expected increases in salary will increase the defined benefit obligation.

c. Demographic risk: This is the risk of variability of results due to unsystematic nature of decrements that include mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefit obligation is not straight forward and depends upon the combination of salary increase, discount rate and vesting criteria.

Note 42: Related party disclosures:

In accordance with the requirements of Ind AS 24 on Related Party Disclosures, following are the related parties and transactions entered with related parties for the relevant financial year:

Parties having control over the Company
Mr. Vinay Bharat Ram (till July 16 2019)
Mr. Hemant Bharat Ram (w.e.f July 17 2019)

Parties under common control
DCM Limited (till July 16 2019)

Key management personnel (with whom transactions have occurred during the year)
1. Mr. Hemant Bharat Ram (Managing Director)
2. Mr. Rakesh Goel (Chief Executive officer and whole time director)
3. Mr. Vinay Bharat Ram
4. Mr. Sandeep Kumar Jain- Chief Financial Officer
5. Mr. Kunal Agarwal - Company Secretary*
6. Mr. Vikas Singhal - Company Secretary*

* Employed part of the year

Enterprise over which director(s) and KMP(s) are interested

The Delhi Golf Club

Transactions with related parties

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Purchase of property, plant and equipment		
DCM Limited	1400	-
Amount paid for acquisition of rights in property		
DCM Limited	801.50	-
Business support services		
DCM Limited	72.90	739.00
Transfer of net assets under the scheme of arrangement (refer note 37)		
DCM Limited	14,924.08	-
Share capital cancelled under scheme of arrangement (refer note 37)		
DCM Limited	5.00	-
Issue of equity share under the scheme of arrangement (refer note 37)		
Mr. Vinay Bharat Ram	904.31	-
Advertisement services		
The Delhi Golf Club	42.50	-

Transactions with key management personnel

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Remuneration paid to key managerial personnel		
Salary, allowance and contribution to provident fund		
Mr. Vinay Bharat Ram *	30.60	-
Mr. Hemant Bharat Ram	255.32	-
Mr. Rakesh Kumar Goel	123.36	-
Mr. Sandeep Kumar Jain- Chief Financial Officer	33.92	-
Mr. Kunal Agarwal - Company Secretary*	4.40	-
Mr. Vikas Singhal - Company Secretary*	1.99	-
Post-employment defined benefit plan		
Gratuity		
Mr. Vinay Bharat Ram	0.72	-
Mr. Hemant Bharat Ram	151.33	-
Mr. Rakesh Kumar Goel	93.57	-
Mr. Sandeep Kumar Jain- Chief Financial Officer	7.40	-
Mr. Kunal Agarwal - Company Secretary*	0.06	
Other long term defined benefit plan		-
Compensated absences		
Mr. Hemant Bharat Ram	28.64	-
Mr. Rakesh Kumar Goel	16.47	-
Mr. Sandeep Kumar Jain- Chief Financial Officer	2.99	-
Mr. Kunal Agarwal - Company Secretary*	0.06	-
Total compensation paid to key management personnel	**750.84**	-

* Employed part of the year

Note 43 : Corporate Social Responsibility (CSR)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Gross amount required to be spent*	-	-
Amount spent (in cash):		-
Promotion of education	12.09	
Total	**12.09**	**-**

* Provisions of section 135 of The Companies Act, 2013 are not applicable on the Company for the year ended March 31, 2020 since this is first year of the Company after demerger of textile division. And before this demerger, there were no operations in the Company. Accordingly the Company do not fall under the criteria's of the applicability of CSR provisions as mentioned in the Act. Hence Company is not required to spent any amount for the purpose of CSR activities.

Note 44 : Fair value measurement of financial instruments

a. Financial instruments – by category and fair values hierarchy

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, 2020

(Rupees in lacs)

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortized cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Loans *	-	-	6.22	**6.22**	-	-	6.22
Current							
Trade receivables *	-	-	5,662.44	**5,662.44**	-	-	-
Cash and cash equivalents *	-	-	22.46	**22.46**	-	-	-
Bank balances other than Cash and cash equivalents	-	-	79.84	**79.84**	-	-	-
Loans *	-	-	31.83	**31.83**	-	-	-
Other financial assets *	-	-	780.51	**780.51**	-	-	-
Total	**-**	**-**	**6,583.30**	**6,583.30**	**-**	**-**	**6.22**
Financial liabilities							
Non-current							
Borrowings #	-	-	4,330.77	**4,330.77**	-	-	4,330.77
Other financial liabilities *	-	-	11.98	**11.98**	-	-	-
Current							
Borrowings #	-	-	12,496.98	**12,496.98**	-	-	-
Trade payables *	-	-	1,487.86	**1,487.86**	-	-	-
Other current financial liabilities *	-	-	2,166.46	**2,166.46**	-	-	-
Total	**-**	**-**	**20,494.05**	**20,494.05**	**-**	**-**	**4,330.77**

ii. As on March 31, 2019 (Restated)

(Rupees in lacs)

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortized cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Loans *	-	-	331.80	**331.80**	-	-	-
Other financial assets *	-	-	1.21	**1.21**	-	-	-
Current							
Trade receivables *	-	-	6,630.23	**6,630.23**	-	-	-
Cash and cash equivalents *	-	-	1,015.82	**1,015.82**	-	-	-
Balances other than above *	-	-	0.14	**0.14**	-	-	-
Loans *	-	-	24.92	**24.92**	-	-	-
Other financial assets *	**-**	**-**	**774.42**	**774.42**	**-**	**-**	**-**
Total	**-**	**-**	**8,778.54**	**8,778.54**	**-**	**-**	**-**
Financial liabilities							
Non-current							
Borrowings #	-	-	4,605.52	**4,605.52**	-	-	4,605.52
Other financial liabilities *	-	-	8.10	**8.10**	-	-	-
Current							
Borrowings #	-	-	11,676.87	**11,676.87**	-	-	-
Trade payables *	-	-	801.01	**801.01**	-	-	-
Other current financial liabilities *	**-**	**-**	**2,314.08**	**2,314.08**	**-**	**-**	**-**
Total	**-**	**-**	**19,405.58**	**19,405.58**	**-**	**-**	**4,605.52**

The Company's borrowings have been contracted at floating rates of interest. Accordingly, the carrying value of such borrowings (including interest accrued but not due) approximates fair value.

* The carrying amounts of trade receivables, trade payables, cash and cash equivalents, bank balances other than cash and cash equivalents, loans and other financial assets and liabilities, approximates the fair values, due to their short-term nature. The carrying value of loans and other non-current financial assets and other non-current financial liabilities approximates 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, 2020 and March 31, 2019.

Valuation technique used to determine fair value

The fair values of Long term interest-bearing borrowings and loans are determined by using Discounted Cash Flow (DCF) method using risk free rate, adjusted for risk premium and other factors that market participants would take into account in the circumstances, as discount rate at the end of the reporting period. The own nonperformance risk was assessed to be insignificant. Other non-current assets and liabilities are evaluated by the Company based on parameters such as interest rate, risk factors, risk characteristics and individual credit-worthiness of the counterparty. Based on this evaluation, allowances are taken into account for the expected losses.

b. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors have authorized senior management to establish the processes, who ensures that executive management controls risks through the mechanism of properly defined framework.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risks limits and controls, to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Company's activities.

(i) Credit risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Trade receivables (net of allowances for expected credit loss)	5,662.44	6,630.23
Cash and cash equivalents	22.46	1,015.82
Balances other than cash and cash equivalents	79.84	0.14
Loans	38.05	356.72
Other financial assets	780.51	775.63

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The maximum exposure to the credit risk at the reporting date is primarily from domestic trade receivables as export receivables are secured through letter of credit and are derived from revenue earned from customers primarily located to China and Bangladesh. Domestic trade receivables are generally unsecured and are derived from revenue earned from customers primarily located in India. The Company continuously monitors the economic environment in which it operates. The Company manages its Credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Company grants credit terms in the normal course of business.

Majority of trade receivables are from customers, which are fragmented and are not concentrated to individual customers Trade receivables are generally realized within the credit period.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience (including of the period prior to acquisition of the related business) and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and are not expected to be recoverable. Ageing matrix is disclosed below:

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

(Rupees in lacs)

Particulars	Gross carrying amount	
	As at March 31, 2020	As at March 31, 2019 (Restated)
Not due	5,620.30	6,630.23
1-90 days past due	41.97	-
91 to 180 days past due	0.17	-
More than 180 days past due	118.27	115.26
Total	**5,780.71**	**6,745.49**

Movement in the allowance for impairment in respect of trade receivables:

(Rupees in lacs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019 (Restated)
Balance at the beginning	115.26	27.25
Add: Impairment loss recognized*	3.01	88.01
Balance at the end	**118.27**	**115.26**

*Changes are resulting from trade receivables recognized during the year

(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, anticipated future internally generated funds from operations, and its fully available, revolving undrawn credit facility will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity needs were to arise, the Company believes it would be able to approach and materialize new 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:

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
From banks	3,373.02	10,891.95

II. Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the March 31, 2020. The amounts are gross and undiscounted:

(Rupees in lacs)

Particulars	Carrying amount	Contractual cash flows			
		Less than one year	Between one year and five years	More than 5 years	Total
Non-current liabilities					
Borrowings *	4,330.77	-	4,871.38	256.17	5,127.55
Other financial liabilities	11.98	-	19.71	119.21	138.92
Current liabilities					
Borrowings	12,496.98	12,496.98	-	-	12,496.98
Trade payables	1,487.86	1,487.86	-	-	1,487.86
Other financial liabilities *	2,166.46	2,166.46	-	-	2,166.46
Total	**20,494.05**	**16,151.30**	**4,891.09**	**375.38**	**21,417.77**

The following are the remaining contractual maturities of financial liabilities at the March 31, 2020. The amounts are gross and undiscounted:

(Rupees in lacs)

Particulars	Carrying amount	Contractual cash flows			
		Less than one year	Between one year and five years	More than 5 years	Total
Non-current liabilities					
Borrowings *	4,605.52	-	5,320.13	161.00	5,481.13
Other financial liabilities	8.10	-	16.70	109.40	126.10
Current liabilities					
Borrowings	11,676.87	11,676.87	-	-	11,676.87
Trade payables	801.01	801.01	-	-	801.01
Other financial liabilities *	2,314.08	2,314.08	-	-	2,314.08
Total	**19,405.58**	**14,791.96**	**5,336.83**	**270.40**	**20,399.19**

* Contractual cash flow includes the interest to be incurred and paid in subsequent periods.

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 risk: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Currency risk

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

Exposure to currency risk

The summary of quantitative data about the Company's exposure to currency risk, as expressed in Indian Rupees, as at March 31, 2020 and March 31, 2019 are as below:

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
	Exposure in USD	Exposure in USD
Financial assets		
Trade receivables*	5,551.47	-
Total	**5,551.47**	**-**
Financial liabilities		
Borrowings	7,710.65	1,136.58
Trade payables	62.94	84.07
Total	**7,773.59**	**1,220.65**

* Net-off of trade receivables of Rs. Nil as on March 31, 2020 (Rs. 5,280.53 lacs), against which forwards sell contracts have been taken.

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at March 31, 2020 (previous year ended as on March 31, 2019) would have affected the measurement of financial instruments denominated in functional currency and affected equity and profit or loss by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(Rupees in lacs)

Particulars	Profit or (loss) before tax		Credit or (debit) to equit (net of tax)	
	Strengthening of USD	Weakening of USD	Strengthening of USD	Weakening of USD
1% depreciation / appreciation in Indian Rupees against following foreign currencies:				
For the year ended March 31, 2020				
USD	(22.22)	22.22	(16.63)	16.63
Total	**(22.22)**	**22.22**	**(16.63)**	**16.63**
For the year ended March 31, 2019				
USD	(12.21)	12.21	(12.21)	12.21
Total	**(12.21)**	**12.21**	**(12.21)**	**12.21**

USD: United States Dollar

Foreign exchange derivative contracts

The Company uses derivative financial instruments exclusively for hedging financial risks that arise from its commercial business or financing activities. The Company's Corporate Treasury team manages its foreign currency risk by hedging transactions that are expected to occur within of 1 to 12 months for hedges of forecasted sales and purchases. When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency. All identified exposures are managed as per the policy duly approved by the Board of Directors.

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

(Rupees in lacs)

Outstanding contracts	No. of Deals		Contract value of Foreign Currency (USD in lacs)		Maturity upto 12 months (Rupees in lacs)	
	As at March 31 2020	As at March 31 2019 (Restated)	As at March 31 2020	As at March 31 2019 (Restated)	As at March 31 2020	As at March 31 2019 (Restated)
USD/INR sell forward	-	24	-	111.52	-	7,804.21

The following table details the Company's sensitivity to a 1% increase and decrease in the Rs. against the relevant foreign currency. The sensitivity analysis includes only outstanding forward exchange contracts as tabulated above and adjusts their translation at the period end for 1% change in foreign currency rates. A positive number below indicates an increase in profit before tax or vice-versa.

(Rupees in lacs)

Particulars	Profit or (loss) before tax		Credit or (debit) to equit (net of tax)	
	Strengthening of USD	Weakening of USD	Strengthening of USD	Weakening of USD
1% depreciation / appreciation in Indian Rupees against following foreign currencies:				
For the year ended March 31, 2020				
USD	-	-	-	-
Total	**-**	**-**	**-**	**-**
For the year ended March 31, 2019				
USD	(78.04)	78.04	(78.04)	78.04
Total	**(78.04)**	**78.04**	**(78.04)**	**78.04**

Interest rate risk

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

Exposure to interest rate risk

The Company's interest rate risk arises majorly from the term loans 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 are as follows:

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Term loans from banks	5,429.23	5,930.91
Loans repayable on demand from banks	12,496.98	11,676.87
Total	**17,926.21**	**17,607.78**

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.

(Rupees in lacs)

Particulars	Profit or (loss) before tax		Credit or (debit) to equity (net of tax)	
	increase	decrease	increase	decrease
Interest on term loans from banks				
For the year ended March 31, 2020	(119.28)	119.28	(119.28)	119.28
For the year ended March 31, 2019	(160.43)	160.43	(160.43)	160.43

Note 45 :Internal financial controls

The Company is in process of establishing its internal financial controls over financial reporting with reference to these financial statements on criteria based on or considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Note 46 :Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital, share premium and all other equity reserves attributable to the equity holders of the parent. 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, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows.

The Company monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearingdebts adjusted with available cash and bank balances divided by total capital (equity attributable to owners of the parent).

(Rupees in lacs)

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Borrowings	17,926.21	17,607.78
Less : Cash and bank balances	102.30	1,015.96
Adjusted net debt (A)	**17,823.91**	**16,591.82**
Total equity (B)	**15,362.26**	**14,927.67**
Adjusted net debt to total equity ratio (A/B)	**1.16**	**1.11**

Note 47 : Impact of Covid-19

In the month of March 2020, the World Health Organization declared COVID-19 to be a pandemic. The Company has evaluated the effect of the pandemic on its business operations and on the carrying amounts of receivables, inventories, tangible and intangible assets and other assets/ liabilities and based on such evaluation the Company believes that there is no material impact to be incorporated in these financial statements. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of the pandemic, the Company has considered internal and external information available till the date of approval of these financial statements. In the above context and based on the current estimates, the Company does not foresee any material adverse impact in the medium to long term on the business, its liquidity and the ability to service its debt or other obligations. The overall economic situation being uncertain due to the evolving scenario of the pandemic, the Company would continue to closely monitor any developments in future economic conditions as they emerge and consider their impact on the financial statements of the relevant periods.

Notes forming part of the financial statements
As per our report of even date attached

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

Kaushal Kishore
Partner
Membership No.: 090075

Place: New Delhi
Date: June 25, 2020

For and on behalf of the Board of Directors of DCM Nouvelle Limited

Hemant Bharat Ram
Managing Director
DIN:00150933

Dr. Meenakshi Nayar
Chairperson & Director
DIN:06866256

Sandeep Kumar Jain
Chief Financial Officer
M.No.:078691

Kunal Agrawal
Company Secretary
M.No.: A35213

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