



September 06, 2022

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai -400 001

Scrip Code: 502820

ISIN: INE498A01018

National Stock Exchange of India Ltd.

Exchange Plaza, Plot no. C/1,
G Block, Bandra - Kurla Complex,
Bandra (E),
Mumbai - 400 051

Scrip Code: DCM

Sub: Notice of 132nd Annual General Meeting along with Annual Report of the Company for FY 2021-22.

Dear Sirs,

This is in continuation of our intimation dated August 29, 2022 informing that 132nd Annual General Meeting (AGM) of the Company will be held on Friday, September 30, 2022 at 11:30 A.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

Pursuant to Regulation 30 & 34 read with Para A Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, please find attached Notice of aforesaid 132nd Annual General Meeting along with Annual Report of the Company for financial year 2021-22.

You are requested to kindly take the same on record.

Yours truly,

For DCM Limited

**Yadvinder Goyal
Company Secretary**

Registered office:

Unit Nos. 2050 to 2052, Plaza - II, 2nd Floor, Central Square, 20, Manohar Lal Khurana Marg,
Bara Hindu Rao, Delhi - 110006.

Phone: (011) 41539170

CIN: L74899DL1889PLC000004, Website: www.dcm.in, Email Id: investors@dcm.in

DCM
LIMITED
ANNUAL
REPORT

2021 -2022

BOARD OF DIRECTORS

Mr. Bipin Maira
Chairman

Mr. Jitendra Tuli
Managing Director

Mr. Sumant Bharat Ram

Dr. Kavita A. Sharma

Prof. Sudhir Kumar Jain

Mr. Shayam Sunder Sharma

Mr. Vinay Sharma
Executive Director (Business Operations)

CHIEF FINANCIAL OFFICER

Mr. Ashwani Kumar Singhal

COMPANY SECRETARY

Mr. Yadvinder Goyal

BANKERS

State Bank of India

HDFC Bank Limited

ICICI Bank Limited

AUDITORS

SS Kothari Mehta & Company

New Delhi

REGISTERED OFFICE

Unit Nos. 2050 to 2052, 2nd Floor,
Plaza - II, Central Square, 20,
Manohar Lal Khurana Marg,
Bara Hindu Rao, Delhi – 110006
Tel : 011-41539170

SHARE TRANSFER AGENT

MCS Share Transfer Agent Limited
F-65, Okhla Industrial Area,
Phase-I, New Delhi-110 020
Tel : 011-41406149-52
Fax : 91-11-41709881

Notice of Annual General Meeting

DCM LIMITED

Registered Office: Unit Nos. 2050 to 2052, 2nd Floor, Plaza - II, Central Square,
20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi – 110006

CIN: L74899DL1889PLC000004

e-mail: investors@dcm.in, website: www.dcm.in, Ph: 011-41539170

Notice is hereby given that the 132nd Annual General Meeting (AGM) of DCM Limited ('the Company') will be held on Friday, September 30, 2022 at 11:30 A.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), to transact the following businesses:

ORDINARY BUSINESS

1. To receive, consider and adopt:
 - a. the audited standalone financial statements of the Company for the financial year ended March 31, 2022, the reports of the Board of Directors and Auditors thereon; and
 - b. the audited consolidated financial statements of the Company for the financial year ended March 31, 2022 together with Report of Auditors thereon.
2. To appoint a director in place of Mr. Vinay Sharma (DIN: 08977564), who retires by rotation and, being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

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

"RESOLVED THAT Mr. Shayam Sunder Sharma (DIN: 00272803), who was appointed as an Additional Director of the Company with effect from September 30, 2021 by the Board of Directors based on the recommendations of Nomination & Remuneration Committee, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 and other applicable provisions, if any, of the Companies Act, 2013 (including any modification or re-enactment thereof) and the Articles of Association of the Company and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

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

"RESOLVED THAT Mr. Sumant Bharat Ram (DIN: 00052833), who was appointed as an Additional Director of the Company with effect from September 01, 2022 by the Board of Directors based on the recommendations of Nomination & Remuneration Committee, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 and other applicable provisions, if any, of the Companies Act, 2013 (including any modification or re-enactment thereof) and the Articles of Association of the Company and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company and subject to the provisions of Sections 196, 197, 198, 203 and Schedule-V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, including any statutory modification or re-enactment thereof, for the time being in force and other applicable provisions, if any, of the Companies Act, 2013 and Article of Association of the Company, Mr. Jitendra Tuli (DIN: 00272930), who has already attained the age of 70 years, be and is hereby appointed as Managing Director of the Company, for a further period of three (3) years with effect from October 1, 2022 to September 30, 2025, whose period of office shall be liable to determination by retirement by rotation, without remuneration but with same sitting fees as being paid/will be paid to other director(s) of the Company for attending meeting(s) of the Board of Directors and committee(s) thereof, from time to time.

RESOLVED FURTHER THAT Mr. Jitendra Tuli, Managing Director shall be entitled to reimbursement of all expenses incurred in the course of business of the Company on actual basis.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT in supersession of earlier resolution passed by members of the Company in the 131st Annual General Meeting of the Company held on 28.09.2021 for appointment of Mr. Vinay Sharma as Whole-Time Director of the Company designated as Executive Director (Engineering Business) of the Company and pursuant to the provisions Section 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 ("Act"), read with Schedule V to the Act, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time (including any statutory modification(s) or re-enactment thereof for the time being in force), Article of Association of the Company and based on recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the company, the consent of the Company be and is hereby accorded for the appointment of Mr. Vinay Sharma (DIN: 08977564), as Whole-Time Director of the Company designated as Executive Director (Business Operations) w.e.f. September 1, 2022 for a period of three (3) years from September 1, 2022 up to August 31, 2025, whose period of office shall be liable to determination by retirement by rotation, on the remuneration and terms and conditions as given below:

Sl. No.	Particulars	Amount in Rs. (Per Month)	Amount in Rs. (Per Annum)
I	SALARY AND ALLOWANCES		
	Basic Salary	35,000	4,20,000
	House Rent Allowance	17,500	2,10,000
	LTA	1,875	22,500
	Medical Allowance	2,920	35,040
	Special Allowance	83,000	9,96,000
	Car Allowance	20,000	2,40,000
	Sub-Total (I)	1,60,295	19,23,540
II	OTHERS		
	Company Contribution to Provident Fund as per policy/ rules of the Company.	4,207	50,484
	Gratuity as per policy / rules of the Company.	1,683	20,196
	Sub-Total (II)	5,890	70,680
III	Total (I)+(II)	1,66,185	19,94,220

He shall also be entitled to telephone facility necessary for the purposes of business, which will not be considered as perquisites.

He shall be entitled for annual increase in his aforesaid remuneration as may be decided by the Board of Directors of the Company on recommendations of the Nomination and Remuneration Committee, from time to time, however the same shall not exceed Rs.2,50,000/- per annum, at each occasion of the annual increment.

Other Terms and Conditions:

- The Board may in its discretion pay to him lower remuneration than the maximum remuneration stipulated hereinabove and revise it from time to time within the limits stipulated herein or if it exceeds, then with the necessary approvals, if any, at the appropriate point of time.
- For the discharge of duties, Mr. Vinay Sharma shall report to and derive his authorities and functional responsibilities from the Chairman and/or Managing Director or as may be decided by the Board of Directors of the Company, from time to time.
- Subject to overall superintendence, direction and control of the Board of Directors, Mr. Vinay Sharma shall be responsible for the day to day affairs of 'DCM Engineering Products' a unit of the Company (referred as 'Engineering Division') situated at Village Asron, Tehsil Balachur, District Shaheed Bhagat Singh Nagar, Punjab as well as Real Estate Operations of the Company at Hisar, Haryana.
- Either party may terminate the appointment by giving to the other, three (3) calendar months' notice in writing.
- In the event of termination of appointment by the Company, he shall not be entitled to receive compensation in accordance with the provisions of the Companies Act, 2013, as amended from time to time.
- Encashment of leave at the end of tenure will not be included in the computation of the ceiling on perquisites.
- Remuneration for a part of the year shall be computed on a pro-rata basis.
- Perquisites shall be evaluated at actual cost or if the cost is not ascertainable the same shall be valued as per Income Tax Rules.
- He shall not be entitled to any sitting fees for attending the meeting(s) of Board of Directors or Committee(s) thereof of the Company.

RESOLVED FURTHER THAT in the event of any inadequacy or absence of profits in any financial year or years, the aforementioned remuneration comprising salary, perquisites and benefits approved herein be continued to be paid as minimum remuneration to Mr. Vinay Sharma, Whole-Time Director, designated as Executive Director (Business Operations) of the Company, subject to such other approvals as may be necessary.

RESOLVED FURTHER THAT the Board of Directors of the Company including any Committee of Directors (constituted or to be constituted) be and are hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Director(s) or officer(s) or any other person(s) to give effect to the aforesaid resolution."

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

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), read with the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, remuneration of Rs.5,000/- (Rupees Five Thousand only), plus GST & out-of-pocket expenses, if any, payable to M/s. V Kumar & Associates, Cost Accountants (Firm Registration Number-100137), who have been appointed as Cost Auditors by the Board of Directors of the Company, to conduct audit of the Cost Accounts pertaining to Cast Iron Unit of the Company namely 'DCM Engineering Products' located at Shaheed Bhagat Singh Nagar, Punjab for the financial year ending March 31, 2023 be and is hereby ratified and confirmed.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

Registered Office
Unit Nos. 2050 to 2052,
2nd Floor, Plaza - II, Central Square,
20, Manohar Lal Khurana Marg,
Bara Hindu Rao, Delhi – 110006

**By order of the Board of Directors
For DCM Limited**

Place : Delhi
Date : September 01, 2022

**Sd/-
Yadvinder Goyal
Company Secretary**

Notes:

- An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, as amended from time to time, ('the Act') in respect of Item Nos. 3-7 of this Notice is annexed hereto. The special businesses under Item Nos. 3-7, are considered unavoidable by the Board of Directors for transacting at the 132nd Annual General Meeting (AGM) of the Company.
- The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015, as amended (hereinafter referred to as 'SEBI Listing Regulations') 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 132nd AGM under Item Nos. 2, 3, 4, 5 & 6 of Notice of this 132nd AGM, are provided at page no. 12 of the Annual Report.
- In view of the continuing COVID-19 pandemic, Ministry of Corporate Affairs ("MCA"), has vide its Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 read with Circular No. 20/2020 dated May 5, 2020 read together with Circular No. 02/2021 dated January 13, 2021 and Circular No. 2/2022 dated May 05, 2022 (collectively

referred to as 'MCA Circulars') and SEBI vide its circular dated May 12, 2020, January 15, 2021 and May 13, 2022 (collectively referred to as 'SEBI Circulars') has permitted the Company to hold Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual means (OAVM), accordingly the 132nd AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The proceedings of the AGM will be deemed to be conducted at the Registered Office of the Company at Unit Nos. 2050 to 2052, 2nd Floor, Plaza-II, Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi-110006, which shall be deemed venue of the AGM.

4. 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. But since this AGM is being held pursuant to the provisions of MCA and SEBI 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 Attendance Slip and Proxy Form are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorized representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes on e-voting.
5. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the AGM 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 Chairperson(s) of the Audit Committee, Nomination and Remuneration Committee and Share Transfer, Finance Facilities and Stakeholders Relationship Committee and Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013, as amended from time to time.
7. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, September 23, 2022 to Friday, September 30, 2022 (both days inclusive).
8. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI etc.) are required to send a scanned copy (PDF/JPG Format) of their respective board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through e-voting. The said resolution/authorization shall be sent to the scrutinizer by e-mail through its registered e-mail address to pragnyap.pradhan@gmail.com with a copy mark to investors@dcm.in.
9. In case of joint holders attending the AGM, 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.
10. In Compliance with the aforesaid MCA and SEBI Circular(s), Notice, inter-alia, explaining the manner of attending AGM through VC/OAVM and electronic voting (e-voting) along with explanatory statement of 132nd AGM of the Company and Annual Report of the Company for financial year 2021-22 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories as on August 26, 2022. Members may note that the Notice and Annual Report will also be available on the website of the Company

(www.dcm.in), website(s) of BSE Limited (www.bseindia.com) and the National Stock Exchange of India Ltd. (www.nseindia.com) and on the website of NSDL (www.evoting.nsdl.com).

11. Members seeking any information with regard to the accounts or any other matter to be placed at the AGM, are requested to write to the Company latest by September 23, 2022 through an email on investors@dcm.in such questions shall be taken up during the meeting or replied by the Company suitably. Members who would like to express their views or ask questions during the AGM may register themselves as speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID/Folio no, No. of shares, PAN, Mobile Number at investors@dcm.in on or before September 23, 2022. Those Members, who have registered themselves as a speaker will only be allowed to express their view, ask questions during the AGM. The Company reserves the right to restrict the number of speakers as well as the speaking time depending upon the availability of time at the AGM.
12. Members attention is drawn to recent SEBI Circular No. - SEBI/ HO/ MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021 and SEBI Circular No. - SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/687 dated December 14, 2021 (collectively referred to as 'the SEBI Circulars'), wherein it has been decided by the SEBI to mandatorily update the PAN, KYC, Nomination details, Bank details, Contact details and Specimen Signature of all shareholders holding shares in physical form and compulsory linking of PAN with Aadhaar No. by all shareholders.

In the said SEBI circulars, SEBI has also stipulated that if the shareholders holding shares in physical form do not update the PAN, KYC and Nomination details or these details are not made available to the Company or their Registrar and Share Transfer Agent (RTA) by March 31, 2023, then such folios shall be frozen by RTA on or after April 01, 2023 as per the directive issued by SEBI.

Further shareholders holding shares in physical mode are requested to ensure that their PAN is linked to Aadhaar by March 31, 2022 or any other date as may be specified by the Central Board of Direct Taxes (CBDT) to avoid freezing of folio on or after April 01, 2023.

Further as per the aforesaid SEBI Circulars, the frozen folios shall be referred by RTA / Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 or Prevention of Money Laundering Act, 2002, after December 31, 2025.

Further, we would like to draw your attention that, w.e.f. January 01, 2022, RTA will not process any service request or complaint from Shareholder(s)/ Claimant(s), for those Folios wherein the details/documents mentioned as aforesaid are not available and the said Folios shall be frozen by the RTA/ the Company in the manner and timelines prescribed in the Circulars.

Therefore, members are requested to comply with the following procedure to avoid any freezing of folios:-

- i. First link your PAN with Aadhaar latest by March 31, 2022 or any other date as may be specified by the CBDT. Update the valid PAN with RTA in Form ISR-1 latest by March 31, 2023. Copy of Form ISR-1 is available on the website of the Company.
- ii. Update your KYC details in Form ISR-1 and Nomination details in Form SH-13 with our RTA latest by March 31, 2023. Copies of Form ISR-1 and Form SH-13 are available on the website of the Company.

- iii. If you want to register/update your Signature in the Company/RTA records, submit Form ISR-2 duly verified by your Banker. A copy of Form ISR-2 is available on the website of the Company.
 - iv. In case you do not wish to nominate any person(s) with whom shall vest, all rights in respect of such shares in the event of his/her death, you are requested to file 'Declaration to Opt-out' in Form ISR-3 with our RTA. A copy of Form ISR-3 is available on the website of the Company.
 - v. If you want to change/cancel the existing nomination, then submit:
 - a) Form SH-14 to change in the nomination details.
 - b) Form SH-14 and Declaration to Opt-out in Form ISR-3 for cancellation of existing nomination.

Copies of Form SH-14 & Form ISR-3 are available on the website of the Company.
 - vi. Submit Bank Account details (Name of Bank with Branch address, Bank Account Number, IFS Code) to Company's RTA.
 - vii. Submit Contact Details i.e. Postal address with PIN, Mobile Number and Email Address to Company's RTA.
- Members may get in touch with Company's RTA for any queries or assistance in this regard.
13. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, ('SEBI Listing Regulations'), securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019. Further, SEBI vide its notification dated January 24, 2022 has mandated that all requests for transmission and transposition requests shall be processed only in dematerialized form. In view of this and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to convert 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, MCS Share Transfer Agents Limited (MCS) 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. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022, has mandated the listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed dividend account; exchange of securities certificate; sub-division of securities certificate; consolidation of securities certificates/folios; transmission and transposition. Accordingly, members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, to the Company's Registrar and Transfer Agents, MCS Share Transfer Agents Limited. It may be noted that any service request can be processed only after the folio is KYC Compliant.
 15. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail 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, IFS code etc.:
 - a. For shares held in electronic form: to their Depository Participants (DPs)
 - b. For shares held in physical form: to the Company/ Registrar and Transfer Agent in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021. and SEBI Circular No.-SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2021/687 dated December 14, 2021.
 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. As per the provisions of Section 72 of the Companies Act, 2013, as amended from time to time, 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.dcm.in. Members are requested to submit the said form to their DP in case the shares are held in electronic form and to RTA of the Company in case the shares are held in physical form.
 18. Members are requested to note that dividends not encashed or remaining unclaimed for a period of seven (7) years from the date of transfer to the Company's Unpaid Dividend Account, shall be transferred to the Investor Education and Protection Fund ("IEPF") established by the Central Government. Further, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") as amended to date, all shares on which dividend remained unclaimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the Ministry of Corporate Affairs.

The Members/Claimants whose shares, unclaimed dividend and debenture interest and interest on deposits as well as the principal amount of debentures and deposits have been transferred to IEPF may claim the shares or apply for refund by making an application to IEPF Authority in the prescribed Form.

Members who have not yet encashed the dividend are requested to forward their claims to the Company or Company's Registrar and Share Transfer Agents.
 19. Electronic copies of all the documents referred to in the accompanying Notice of the AGM and the Explanatory Statement shall be made available for inspection. During the AGM all the necessary Statutory Registers maintained under the Act shall remain open and accessible during the continuance of the AGM. Members desiring inspection of statutory registers and other relevant documents may send their request in writing to the Company at investors@dcm.in
 20. Since this AGM will be held through VC/OAVM without the physical presence of members at a common venue, the route map is not required.
 21. Instructions for e-voting and joining the AGM are as follows:
 - A. Voting through electronic means**

Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, 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, May 05, 2020, January 13, 2021 and May 05, 2022 read with SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation 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 venue voting on the date of the AGM will be provided by NSDL.

 - I. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has

been uploaded on the website of the Company at www.dcm.in. The Notice can also be accessed from the 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 the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.

- II. The remote e-voting period shall commence on Tuesday, September 27, 2022 at (9.00 A.M. IST) and ends on Thursday, September 29, 2022 at (5.00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 23, 2022, may cast their vote by remote e-voting. The said remote e-voting module shall be disabled by NSDL for voting thereafter. Once the e-vote on a Resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
- III. Those Members, who will be participating in the AGM through VC/OAVM facility and have not casted their vote on the resolutions through e-voting prior to AGM and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
- IV. The Members who have casted their vote by remote e-voting prior to the AGM may also attend and participate in the AGM through VC/OAVM means, but shall not be entitled to cast their e-vote again.
- V. Mrs. Pragnya Parimita Pradhan, Company Secretary in whole time practice, (COP: 12030) 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.
- VI. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. September 23, 2022.
- VII. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. September 23, 2022 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Registrar and Transfer Agent (RTA) of the Company. The Individual Shareholders holding securities in demat mode, may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".
- VIII. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or e-voting at the AGM and a person who is not a Member as on the cut-off date i.e. September 23, 2022 should treat this Notice for information purposes only.
- IX. The manner and process of remote e-Voting are as under:




The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> 1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3. 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. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website(s).

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

- 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.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
- A new screen will open. You will have to enter your User ID, your Password/ OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices 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.

- 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***

- Password details for shareholders other than Individual shareholders are given below:
 - If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - 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.
 - How to retrieve your 'initial password'?
 - 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'.
 - If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

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 etc.
 - 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.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of DCM Limited “121541” to cast your vote during the remote e-Voting period and casting your vote during the AGM. For joining virtual meeting, you need to click on “VC/OAVM” link placed under “Join Meeting”.
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. 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. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on “**Upload Board Resolution / Authority Letter**” displayed under “**e-Voting**” tab in their login.
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 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Manager, NSDL, at the designated email id – evoting@nsdl.co.in or our RTA at admin@mcsregistrars.com or 011-41406149-52 at evoting@nsdl.co.in
4. Shareholders can also update their mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide 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) by email to investors@dcm.in or admin@mcsregistrars.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investors@dcm.in or admin@mcsregistrars.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM 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.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of “VC/OAVM link” placed under “**Join meeting**” menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member 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.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. 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.

Other Instructions

- a) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses who are 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 Chairman or to a person authorized by the Chairman in writing who shall countersign the same.
- b) The Chairman or the person authorized by him in writing shall forthwith on receipt of the consolidated Scrutinizer's Report, declare the Results of the voting. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website and on the website of NSDL immediately after the results is declared and communicated to the Stock Exchanges where the equity shares of the Company are listed.
- c) Subject to the receipt of requisite number of votes, the Resolutions forming part of the Notice of Annual General Meeting shall be deemed to be passed on the date of the AGM i.e. Friday, September 30, 2022.

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013, AS AMENDED FROM TIME TO TIME

Item No. 3

The Board of Director of the Company based on the recommendation of the Nomination & Remuneration Committee, have appointed Mr. Shayam Sunder Sharma as an Additional Director of the Company with effect from September 30, 2021, in accordance with the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company.

Further, in terms of the aforesaid provisions, he would hold office as such up to the date of this 132nd Annual General Meeting of the Company. In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member signifying his intention to propose the candidature of Mr. Shayam Sunder Sharma for the office of director of the Company.

Mr. Shayam Sunder Sharma did his B.E in Electronics and Communication from IIT Roorkee in 1980. He is having 26 years of experience in the IT Industry and more than 15 years of experience in the Real Estate Business and related activities. He worked with erstwhile IT Division of the Company namely DCM Data Systems for about 26 years and handled Product Design, Development & Manufacturing before he moved to Purearth Infrastructure Ltd. (PIL), a joint venture company engaged in the business of Real Estate development, in Year 2006 as Vice President (Commercial).

Keeping in view his experience and knowledge, it will be in the interest of the Company that Mr. Shayam Sunder Sharma is appointed as Director of the Company, liable to retire by rotation.

Accordingly, it is proposed to seek the members' approval for the appointment of Mr. Shayam Sunder Sharma as a director of the Company liable to retire by rotation, by way of an Ordinary resolution.

Brief resume of Mr. Shayam Sunder Sharma, nature of his expertise in specific functional areas, names of listed companies (other than DCM Ltd.) in which he holds directorships and committee memberships, his shareholding in the Company, relationships amongst directors inter-se and name of listed entities from which he has resigned in the past three years 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), are provided at page no. 12 of the Annual Report.

The Board of Directors recommends the Ordinary Resolution as set out under Item no. 3 of this Notice for the approval of members of the Company.

Other than Mr. Shayam Sunder Sharma and his relatives, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the Ordinary Resolution as set out at Item No. 3 of this Notice.

Item No. 4

The Board of Directors of the Company have appointed Mr. Sumant Bharat Ram as an Additional Director of the Company with effect from September 01, 2022, in accordance with the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company.

Further, in terms of the aforesaid provisions, he would hold office as such up to the date of this 132nd Annual General Meeting of the Company. In terms of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member signifying his intention to propose the candidature of Mr. Sumant Bharat Ram for the office of director of the Company.

Mr. Sumant Bharat Ram holds Bachelor degree in Economics (Honors) from Delhi University. He did his Master's Degree from the University of Michigan, Ann Arbor, USA. He hails from pioneering Industrialist family of Lala Shri Ram. Before joining DCM Limited he worked with Toyota Motor Corporation, Japan and SRF Limited. He also worked as Executive Vice Chairman & Managing Director of erstwhile DCM Engineering Limited. In the past he has worked at various senior management positions including as member of the Board of the Company, from time to time. At present he is working as Whole-Time Director of Purearth Infrastructure Limited, a Joint Venture of the Company engaged in the business of Real Estate development. He is having experience of more than 30 years in management of Finance, Legal and Corporate Affairs and business operation.

Keeping in view his experience and knowledge, it will be in the interest of the Company that Mr. Sumant Bharat Ram is appointed as Director of the Company, liable to retire by rotation.

Accordingly, it is proposed to seek the members' approval for the appointment of Mr. Sumant Bharat Ram as a director of the Company liable to retire by rotation, by way of an Ordinary resolution.

Brief resume of Mr. Sumant Bharat Ram, nature of his expertise in specific functional areas, names of listed companies (other than DCM Ltd.) in which he holds directorships and committee memberships, his shareholding in the Company, relationships amongst directors inter-se and name of listed entities from which he has resigned in the past three years 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), are provided at page no. 12 of the Annual Report.

The Board of Directors recommends the Ordinary Resolution as set out under Item no. 4 of this Notice for the approval of members of the Company.

Mr. Sumant Bharat Ram is Promoter of the Company. He also forms part of Promoter Group of the Company. He alongwith his relatives of the Company holds 90,66,634 equity shares (48.54%) of paid up share capital of the Company. Other than Mr. Sumant Bharat Ram and his relatives, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the Ordinary Resolution as set out at Item No. 4 of this Notice.

Item No. 5

Mr. Jitendra Tuli was appointed as Managing Director of the Company for a period of three (3) years with effect from October 01, 2019. The said term of Mr. Jitendra Tuli will complete on September 30, 2022.

The Board of Directors of the Company, based on the recommendations of Nomination & Remuneration Committee, has recommended to the shareholders to reappoint Mr. Jitendra Tuli, as Managing Director of the Company for a period of three (3) years, w.e.f. October 01, 2022, without payment of salary and perquisites but with sitting fees as paid to other directors.

Mr. Jitendra Tuli has attained the age of more than 70 years, accordingly Mr. Jitendra Tuli, is to be reappointed, as Managing Director of the Company, by way of Special Resolution, as required under Part-I of Schedule V and sub-section (3) of Section 196 of the Companies Act, 2013.

Mr. Jitendra Tuli obtained his Post Graduate Diploma from London School of Journalism and attended the School of Public Relations and Communications at Boston University, USA. Mr. Jitendra Tuli is an editorial and communications consultant with World Health Organization, regional office for South East Asia, where he served as the Public Information Officer for 19 years till 1996. 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. Mr. Jitendra Tuli has been on Board of the Company since December 20, 2005. Mr. Jitendra Tuli was the Chairman of the Company for the period from December 20, 2011, to January 29, 2016, and has also served as Managing Director of the Company for the period from December 20, 2012 to January 29, 2016 and from October 01, 2019 to till date.

Mr. Jitendra Tuli has around 58 years of vast experience in communications, external relations, media management and social responsibility. Due to his long association with the Company including in his capacity as Managing Director of the Company in the past, he has ample experience and understanding of the business of the Company.

The Board, based on the recommendation of Nomination and Remuneration Committee, considered that given his background, experience and contribution, the continued association of Mr. Jitendra Tuli would be beneficial to the Company and it is desirable to continue to avail his services as Managing Director of the Company.

This explanatory statement along with resolution no. 5 shall be construed to be memorandum setting out the terms of the appointment of Mr. Jitendra Tuli as specified under Section 190 of the Companies Act, 2013.

Brief resume of Mr. Jitendra Tuli, nature of his expertise in specific functional areas, names of listed companies (other than DCM Ltd.) in which he holds directorships and committee memberships, his shareholding in the Company, relationships amongst directors inter-se and name of listed entities from which he has resigned in the past three years 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), are provided at page no. 12 of the Annual Report.

The Board of Directors recommends the Special Resolution as set out under Item no. 5 of this Notice for the approval of members of the Company.

Other than Mr. Jitendra Tuli and his relatives, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the Special Resolution as set out at Item No. 5 of this Notice.

Item No. 6

Mr. Vinay Sharma was appointed as Whole-Time Director and designated as Executive Director (Engineering Business) of the Company w.e.f. December 15, 2020. However due to non-receipt of requisite approval of lending banks as required under Section 197 read with Schedule V of the Companies Act, 2013, as amended, ('the Act') no remuneration was paid to him.

In view of continued situation of industrial unrest at DCM Engineering Products, a unit of the Company (hereinafter referred as 'Engineering Division'), the Board of Directors of the Company had declared lockout at its said Engineering Division w.e.f. October 22, 2019, which was severally curtailed liquidity in the Company. Therefore there was delay/default in payment of dues of secured lenders ('Banks'), who had provided term loan and/or working capital facilities to said Engineering Division of the Company. Pursuant to said delay/default, these banks have classified term loan and working capital facilities of said Engineering Division as Non-Performing Assets (NPA) in their books.

However, now the Company has made full & final payment of dues of these banks under One Time Settlement (OTS) as agreed with them bankers. Thus now requirement of taking approval of these banks is not required.

Further, the Company is also in process of development of its land parcel admeasuring about 68.35 acres situated at near Mela Ground, Hisar, Haryana (referred as 'Hisar land') and has entered into 'Joint Development Agreement' ('JDA') with a party for development of its said Hisar land under Deen Dayal Jan Awas Yojna. The above JDA is subject to receipt of certain government/regulatory approval(s) and compliance of certain terms and conditions by the said party. The said process of receiving regulatory approvals in the said matter is in process.

Mr. Vinay Sharma has more than 27 years of experience in various industries i.e. Foundry, Automotive Component Industry, Life Style Products Industries, Textile and Cycle Industries and in view of his involvement of in the operations of DCM Engineering Products as well as Real Estate Business of the Company at Hisar, Haryana, the Board of Directors of the Company, on the recommendations of Nomination & Remuneration Committee, have appointed Mr. Vinay Sharma as Whole-Time Director designated as Executive Director (Business Operations) of the Company with effect from September 1, 2022 for a period of three (3) years from September 1, 2022 up to August 31, 2025, subject to the approval of members of the Company.

Subject to overall superintendence, direction and control of the Board of Directors, Mr. Vinay Sharma shall be responsible for the day to day affairs of 'DCM Engineering Products' a unit of the Company (referred as 'Engineering Division') situated at Village Asron, Tehsil Balachur, District Shaheed Bhagat Singh Nagar, Punjab as well as Real Estate Operations of the Company at Hisar, Haryana.

This resolution of appointment of Mr. Vinay Sharma as Whole-Time Director designated as Executive Director (Business Operations) of the Company will supersede the earlier resolution passed by members of the Company in the 131st Annual General Meeting of the Company held on 28.09.2021 for appointment of Mr. Vinay Sharma as Whole-Time Director of the Company designated as Executive Director (Engineering Business) of the Company for a period of 3 years w.e.f. December 15, 2020 to December 14, 2023.

The remuneration proposed to be paid to Mr. Vinay Sharma is in line with the remuneration being paid to Whole Time Directors in the Industry for similar sized companies. Further, the educational background, experience and job profile of Mr. Vinay Sharma justify his entitlement to the proposed remuneration.

The remuneration as specified in resolution no. 6 will be paid as minimum remuneration to Mr. Vinay Sharma, as the Company has inadequate profits as per section 198 of the Act. Therefore his appointment will be subject to the approval of members of the Company by Special Resolution in terms of provision of second proviso of sub-section (1) of section 197 of the Act and by giving the necessary information and disclosure as specified in Schedule V of the Act. Further, the remuneration of Mr. Vinay Sharma is within the limit specified in Schedule V of the Act.

This explanatory statement along with resolution no. 6 shall be construed to be memorandum setting out the terms of the appointment of Mr. Vinay Sharma as specified under Section 190 of the Companies Act, 2013.

Keeping in view the experience of Mr. Vinay Sharma in the Industry and his involvement in the business operations of the Company, it would be in the interest of the Company to appoint Mr. Vinay Sharma as Whole-time director designated as Executive Director (Business Operations) of the Company.

Brief resume of Mr. Vinay Sharma, nature of his expertise in specific functional areas, names of listed companies (other than DCM Ltd.) in which he holds directorships and committee memberships, his shareholding in the Company, relationships amongst directors inter-se and name of listed entities from which he has resigned in the past three years 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), are provided at page no. 12 of the Annual Report.

The Board of Directors recommends the Special Resolution as set out under item no. 6 of this Notice for the approval of members of the Company.

None of the directors and Key Managerial Personnel and their relatives except Mr. Vinay Sharma and his relatives are interested or concerned, financially or otherwise, in the aforesaid resolution as set out under item no. 6.

As the Company has inadequate profits as per section 198 of the Act, accordingly the disclosures as required under the Section II of Part II of Schedule V of the Act, are given herein below:

I. GENERAL INFORMATION

(1)	Nature of Industry	The Company is primarily engaged in the business of manufacturing and supply of castings across all segments in automotive market and Real Estate activities.
(2)	Date of or expected date of commencement of commercial production :	DCM Limited established in 1889 has been engaged in diversified business over the years. Presently, the Company is engaged inter alia in the manufacturing and supply of castings across all segments in automotive market and Real Estate activities.
(3)	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:	Not applicable

(4) Financial Performance based on the given indicators:

Rs. in Lakh

Particulars	Financial year 2021-22	Financial year 2020-21	Financial year 2019-20
Revenue from operations	110.15	50.48	12890.01
Other income	3599.25	480.61	2611.78
Total Income	3709.40	531.09	15501.79
Other Expenditure	625.16	814.37	16526.89
Finance Costs	579.42	856.71	1071.90
Depreciation and amortisation	762.11	856.71	1177.13
Profit/(Loss) before tax	1742.71	(1996.70)	(3130.06)
Less : Provision for taxation (including deferred taxes)	(35.48)	-	56.29
Profit / Loss after tax	1778.19	(1996.70)	(3073.77)

(5) Foreign investments or collaborators, if any: NIL

II) INFORMATION ABOUT THE APPOINTEE

(1)	Background Details	Mr. Vinay Sharma joined DCM Engineering Product, Engineering Division of the Company in 2011 as Senior Manager (Costing and MIS) and was promoted to the position of DGM Finance & Accounts in 2017. He did his B. Com in the year 1987 from Punjab University. He qualified ICWAI (Inter). He did his MBA in Finance in 2004. He is having more than 27 years of experience in various industries i.e. Foundry, Automotive Component Industry, Life Style Products Industries, Textile and Cycle Industries. Before joining DCM Engineering, he worked with reputed companies like Jindal Stainless Steel Limited, Vardhman Textile, Mannesmann Sachs India Limited and Atlas Cycles Industries Limited.
(2)	Past Remuneration	Due to non-receipt of requisite approval of lending banks as per Section 197 read with schedule V of the Companies Act, 2013, as amended from time to time, no remuneration was paid to Mr. Vinay Sharma w.e.f. December 15, 2020. However, prior to that he was paid remuneration of Rs. 19,94,220/- per annum in his capacity as DGM Finance & Accounts of the Company.
(3)	Recognition or Awards	N.A.
(4)	Job Profile and his Suitability	His 27 years of experience in various industries i.e. Foundry, Automotive Component Industry, Life Style Products Industries, Textile and Cycle Industries and his contribution during his stay with the Company makes him suitable for appointment as Whole-time director designated as Executive Director (Business Operations) of the Company. [Please refer point no. 1 above (i.e. Background details)]
(5)	Proposed Remuneration	As set out in the Special Resolution no. 6 above relating to his appointment as Whole-Time Director, designated as Executive Director (Business Operations) of the Company.
(6)	Comparative Remuneration	The remuneration proposed to be paid to Mr. Vinay Sharma is in line with the remuneration paid to the Whole-Time Directors of the similar sized companies in the Industry.
(7)	Pecuniary Relationship directly or indirectly with the company, or relationship with the managerial personnel or other Director; if any	Mr. Vinay Sharma holds NIL equity shares in the Company. Mr. Vinay Sharma does not have any relationship financial or otherwise with the managerial personnel and the Board of Directors of the Company.

III) OTHER INFORMATION

(1)	Reasons of loss or inadequate profits	The Engineering Division continue to make losses because of lower productivity and production constraints, primarily on account of industrial unrest at the Engineering Division. Due to continued situation of said labour unrest, the Company was forced to declare a lockout of its Engineering operation w.e.f October 22, 2019, which remain continues as on date.
(2)	Steps taken or proposed to be taken for improvement	<p>In order to post sustainable profitability and implement the sound operational model:-</p> <p>1. With a view to restore profitability and revive the Engineering Division, it was considered necessary to rationalise the workforce and induct financial/strategic partner(s), who can provide critically required modern technology and financial investment to sustain and grow business.</p> <p>Accordingly, the Board of Directors of the Company in its meeting held on November 28, 2019 approved a composite scheme of arrangement for transfer of its said Engineering Division into DCM Engineering Limited (formerly known as DCM Tools and Dies Limited), a wholly owned subsidiary of the Company, to facilitate the induction of strategic partner and restructuring of debt pertaining to the said Engineering Division of the Company.</p> <p>However the said Scheme remained pending awaiting in-principle approval of secured lenders (Banks).</p> <p>Pursuant to the settlement of dues of Banks under one time settlement agreed with them, the Company is in process of taking necessary steps in this regard.</p> <p>2. The Company has initiated the process of development of its land parcel admeasuring about 68.35 acres situated at near Mela Ground, Hisar, Haryana (referred as 'Hisar land'). In this connection, the Company has entered into 'Joint Development Agreement' with a party for development of its said Hisar land under Deen Dayal Jan Awas Yojna. The above JDA is subject to receipt of certain government/regulatory approval(s) and compliance of certain terms and conditions by the said party. The said process of receiving regulatory approvals in the said matter is in process.</p>
(3)	Expected increase in productivity and profits in measurable terms	The series of steps taken/to be taken for improvement by the Company would help to enlarge business operations and increase in productivity.
(4)	Disclosures	<p>The information, as required, is provided in Annual Report. The remuneration package proposed to be given to Mr. Vinay Sharma is as per details given in the resolution.</p> <p>The Annual Report indicates the remuneration paid to the managerial personnel as well as to all other Directors. There is no severance fee or stock option in the case of managerial personnel.</p>

Item No. 7

As per Section 148 of the Companies Act, 2013 and Rules issued there under, as amended from time to time, Cast Iron Unit of the Company namely 'DCM Engineering Products' located at Ropar, Punjab is covered under the ambit of mandatory cost audit. Therefore Company is required to appoint Cost Auditor for financial year 2022-23 in respect of said Cast Iron Unit of the Company namely 'DCM Engineering Products' located at Shaheed Bhagat Singh Nagar, Punjab.

The Board of Directors of the Company at their meeting held on May 28, 2022 on the recommendation of the Audit Committee, have approved the appointment of M/s. V Kumar & Associates, Cost Accountants (Firm Registration Number-100137), as Cost Auditors, for financial year 2022-23, for audit of Cost Accounts pertaining to Cast Iron Unit of the Company namely 'DCM Engineering Products' located at Shaheed Bhagat Singh Nagar, Punjab at a fees of upto Rs. 5,000/- (Rupees Five Thousand only) plus GST and out of pocket expenses, if any.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Rules issued there under, as amended from time to time, the remuneration payable to the Cost Auditor, as stated above, has to be ratified by members of the Company.

Accordingly, approval of the members is sought by way of an Ordinary Resolution as set out at Item No. 7 of the Notice of this 132nd AGM for ratification of the remuneration payable to the Cost Auditors for financial year 2022-23.

None of the Directors and Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution as set out at Item No. 7 of the Notice.

The Board recommends the Ordinary Resolution as set out at Item No. 7 of this Notice for approval of the members of the Company.

Registered Office

Unit Nos. 2050 to 2052,
2nd Floor, Plaza - II, Central Square,
20, Manohar Lal Khurana Marg,
Bara Hindu Rao, Delhi – 110006

**By order of the Board of Directors
For DCM Limited**

Place : Delhi

Date : September 01, 2022

**Sd/-
Yadvinder Goyal
Company Secretary**

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT 132nd ANNUAL GENERAL MEETING OF THE COMPANY.

Name of the Director	Mr. Vinay Sharma	Mr. Shyam Sunder Sharma	Mr. Sumant Bharat Ram	Mr. Jitendra Tuli
Director Identification Number (DIN)	08977564	00272803	00052833	00272930
Date of Birth	24.04.1967	27.11.1958	13.04.1967	20.09.1939
Age	55 Years	63 Years	55 Years	82 Years
Date of Appointment	15.12.2020 (Appointed as an Additional Director as well as Whole Time Director designated as Executive Director (Engineering Business) of the Company). 01.09.2022. (Appointed as Whole Time Director of company designated as Executive Director (Business Operations) of the Company).	Appointed as an Additional Director of the Company w.e.f. August 28, 2021 to hold office upto the date of 13 th Annual General meeting (AGM) of the Company. However the Company could not include the resolution for his regularization/appointment in the notice of said AGM held on 28.09.2021 for the reason that his appointment was made subsequent to the date of issue of said notice. Pursuant to the above, he ceased to be director of the Company w.e.f. the date of said AGM i.e. 28.09.2021. Thereafter, he was again appointed as an Additional Director of the Company w.e.f. 30.09.2021.	01.04.2019 (Appointed as an Additional Director of the Company) 21.08.2019 (Ceased to be the Director of the Company) 01.09.2022 (Appointed as an Additional Director of the Company)	20.12.2005 (Appointed as an Additional Director of the Company). He was the Chairman of the Company for the period from December 20, 2011, to January 29, 2016, and has also served as Managing Director of the Company for the period from December 20, 2012 to January 29, 2016 12.08.2019. (Appointed as Independent Director of the Company). 01.10.2019 (Re-designated as Director, liable to retire by rotation). He was also appointed as Managing Director of the Company effective from the same date for a period of three (3) years.
Qualification	B.com, MBA in Finance and ICWAI (Inter).	B.E in Electronics and Communication from IIT Roorkee in 1980.	Bachelor Degree in Economics (Hons.) from Delhi University, Master's Degree from the University of Michigan, Ann Arbor, USA	B.Com (Hons.), Post Graduate Diploma from London School of Journalism, Attended the School of Public Relations and communications at Boston University, USA.
Experience & Expertise in specific functional area	He has more than 26 years of experience in various industries i.e. Foundry, Automotive Component Industry, Life Style Products Industries, Textile and Cycle Industries.	He has around 26 years of experience in the IT Industry and more than 15 years of experience in the Real Estate Business and related activities.	He is having experience of more than 30 years in management of Finance, Legal and Corporate Affairs and business operation.	He has around 58 years of vast experience in Communications external relations, media management and social responsibility.
Profile of the Director	Mr. Vinay Sharma did B. Com in the year 1987 from Punjab University. He qualified ICWAI (Inter) and MBA in Finance. He is having more than 25 years of working experience in various industries i.e. Foundry, Automotive Component Industry, Life Style Products Industries, Textile and Cycle Industries.	Mr. Shyam Sunder Sharma did his B.E in Electronics and Communication from IIT Roorkee in 1980. He is having 26 years of experience in the IT Industry and more than 15 years of experience in the Real Estate Business and related activities. He worked with worldwide IT Division of the Company namely DCM Data Systems for about 26 years and handled Product Design, Development & Manufacturing before he moved to Purearth Infrastructure Ltd. (PIL), a joint venture company engaged in the business of Real Estate development, in Year 2006 as Vice President (Commercial).	Mr. Sumant Bharat Ram holds Bachelor degree in Economics (Hons) from Delhi University. He did his Master's Degree from the University of Michigan, Ann Arbor, USA. He holds from pioneering industrialist family of Lala Shri Ram. After joining DCM Limited he worked with Toyota Motor Corporation, Japan and SRF Limited. He also worked as Executive Vice Chairman & Managing Director of erstwhile DCM Engineering Limited. In the past he has worked at various senior management positions including as member of the Board of the Company, from time to time. At present he is working as Whole-Time Director of Purearth Infrastructure Limited, a joint Venture of the Company engaged in the business of Real Estate development.	Mr. Jitendra Tuli was 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 Amajiyori Charitable Trust and as founder member of Cancer Sebhyog.
Terms & Conditions of appointment/reappointment along with details of remuneration sought to be paid and last drawn by him	Please refer resolution nos. 2 & 6 for terms and conditions of his appointment. He is not entitled to any remuneration except payment by way of sitting fee for attending meetings of Board of Directors and Committees thereof.	Please refer resolution no. 3 for terms and conditions of his appointment of this notice. He is not entitled to any remuneration except payment by way of sitting fee for attending meetings of Board of Directors and Committees thereof.	Please refer resolution no. 4 for terms and conditions of his appointment of this notice. He is not entitled to any remuneration except payment by way of sitting fee for attending meetings of Board of Directors and Committees thereof.	Please refer resolution no. 5 and explanatory statement in respect of said resolution no. 5 for terms and conditions of his appointment of this notice. He is not entitled to any remuneration except payment by way of sitting fee for attending meetings of Board of Directors and Committees thereof.
Shareholding in the Company as on 31.03.2022	Nil	Nil	Mr. Sumant Bharat Ram is Promoter of the Company. He alongwith Promoter Group of the Company holds 90,66,634 equity shares.	Nil
Relationship with other directors and KMPs of the Company	He is not related to any other directors and KMPs of the Company.	He is not related to any other directors and KMPs of the Company.	He is not related to any other directors and KMPs of the Company.	He is not related to any other directors and KMPs of the Company.
No. of Meetings of Board attended during the year	9 (for details please refer to the Corporate Governance Report, forming part of this Annual Report)	5 (for details please refer to the Corporate Governance Report, forming part of this Annual Report)	N/A	10 (for details please refer to the Corporate Governance Report, forming part of this Annual Report)
List of Companies in which outside directorship held	Nil	1. FCS Software Solutions Limited 2. Estaserv Eservices Limited 3. Insync Business Solutions Limited 4. Kamakshi Realty Private Limited 5. Kamayani Properties Private Limited 6. Vighneshara Estates Private Limited 7. Kalpru Realty Private Limited	1. Purearth Infrastructure Limited 2. DCM Infotech Limited 3. Strategic Image Management Ltd 4. Agresar Leasing and Finance Pvt Ltd 5. Calipru Real Estates Pvt Ltd 6. Kamayani Facility Management Pvt Ltd 7. Vighneshara Estates Pvt Ltd 8. Kamayani Properties Pvt Ltd 9. Kamakshi Realty Pvt Ltd 10. Kalpru Realty Pvt Ltd 11. Primal Gray Private Limited (Formerly known as <i>Houston Estates Private Limited</i>)	DCM Nouvelle Limited
Chairman/Member of the Committees of Board of Directors of Indian Companies	Nil	FCS Software Solutions Limited Chairmanship(s) of Committees: - Share Transfer, Finance Facilities and Stakeholders Relationship Committee. - Audit Committee - Nomination and Remuneration Committee - Corporate Social Responsibility Committee	Purearth Infrastructure Limited Chairmanship(s) of Committees of the Board - Executive Committee (Purearth Infrastructure Limited) - Membership(s) of Committees of the Board - Nomination & Remuneration Committee - Corporate Social Responsibility Committee	DCM Limited: Chairmanship(s) of Committees: Nil Membership(s) of Committees: - Share Transfer, Finance Facilities and Stakeholders Relationship Committee. DCM Nouvelle Limited: - Chairmanship(s) of Committees: Stakeholders Relationship Committee - Membership(s) of Committees: Nil
Name of listed entities from which the person has resigned in the past three years	Nil	DCM Limited	DCM Limited	Nil

DIRECTORS' REPORT

Your directors have pleasure in presenting this 132nd Annual Report together with the Audited Financial Statements of your Company for the financial year ended March 31, 2022.

ECONOMIC SCENARIO

The year 2021-22 was yet another challenging year globally. The severe second wave of the Covid-19 pandemic had a significant humanitarian and economic impact. The first half of 2021 was dominated by the second wave of the pandemic, supply chain disruptions and restricted operations. But the second half included significant support in the form of initiatives by the Central and State Governments and Central banks, alongside other regulatory authorities. The roll-out of vaccination across the entire country, and reduced hospitalization and fatality, have enabled the administration to focus on the reopening of the economy, creating employment and supporting livelihoods.

The year 2021 saw consumer demand recover as the global economy rebounded after the pandemic shock of 2020. Strong vaccination drives across all major economies and the progressive revival of global supply chains led to significant global recovery. The economic growth led by resurgence in consumption across categories, especially in the developed markets, coupled with the supply chain bottlenecks, has led to significant spike in inflation. Almost all the central banks are now taking policy measures to taper down the extraordinary liquidity that was pumped in to support the economy during the pandemic and tightening the monetary policy to control inflation.

In tandem with the global recovery, the Indian economy too recovered from the pandemic-induced shocks of 2020-21 and witnessed sequential improvement.

Even as the global economy seemed to be at the cusp of witnessing green shoots of recovery after leaving the worst of the COVID-19 pandemic behind (despite uncertainties associated with subsequent waves of infection and rising global inflationary pressures), the Russia-Ukraine crisis escalated. Consequently, prices of crude oil and gas, food grains such as wheat and corn, and several other commodities have shot up.

Global investors, for instance, are shoring up their money into safer-haven assets such as gold and US Treasuries, while equity markets in emerging countries are in a state of flux, due to capital outflows.

However, India's underlying economic fundamentals are strong and despite the short-term turbulence, the impact on the long-term outlook appears to be marginal. The results of growth-enhancing policies and schemes (such as production-linked incentives and government's push toward self-reliance) and increased infrastructure spending will lead to a stronger multiplier effect on jobs and income, higher productivity, and more efficiency. Furthermore, the emphasis on manufacturing in India and various government incentives such as lower taxes, and rising services exports on the back of stronger digitization and technology transformation drive across the world will aid in growth.

FINANCIAL DATA

Particulars	Financial Year ended March 31, 2022 (Rs. in Lakh)	Financial Year ended March 31, 2021 (Rs. in Lakh)
Profit before Interest, Depreciation and Tax	3084.24	(283.28)
Less: -Finance Cost	579.42	856.71
-Depreciation	762.11	856.71

Particulars	Financial Year ended March 31, 2022 (Rs. in Lakh)	Financial Year ended March 31, 2021 (Rs. in Lakh)
Profit before Tax	1742.71	(1996.70)
Less -Provision for tax	(35.48)	0
Profit after tax	1778.19	(1996.70)
Other Comprehensive income	75.99	63.98
Total Comprehensive income	1854.18	(1932.72)
Add - Profit brought forward	(3596.84)	(1664.12)
Balance Profit carried forward	(1742.66)	(3596.84)

COVID-19 PANDEMIC AND ITS IMPACT

Your Company managed to navigate well through the difficult situation with support of its employees and the Management. However, the Board and the Management continues to closely monitor the situation as it evolves and do it's best to take all necessary measures, in the interests of all stakeholders of the Company.

TRANSFER TO RESERVES

During the financial year under review the Board has not proposed to transfer any amount to Reserve.

DIVIDEND

The Board of Directors do not recommend any dividend for the financial year 2021-22.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company are prepared in accordance with provisions of the Ind AS as per the Companies (Indian Accounting Standard) Rules, 2015, as amended from time to time, notified under section 133 of the Companies Act, 2013, as amended from time to time and form part of this Annual Report.

STATE OF THE COMPANY'S AFFAIRS /OPERATIONS OVERVIEW

Engineering Division

The Engineering Division of the Company was manufacturing and supplying castings across all segments in the automotive market: cars, multi-utility vehicles, tractors, light commercial vehicles, heavy commercial vehicles and earth moving equipment.

Since 2016, the unit has faced a hostile environment in which production of good quality products in a cost-effective way could not be achieved due to the unabated labour attitude and serious law and order situations. As a result, the Division continued to incur cash losses on account of lower volume and high rejections resulting in non-recovery of fixed cost and decline in margin.

Given the above, the Company was forced to declare lockout of the said Engineering Unit w.e.f. October 22, 2019. The said lockout of factory operations declared on October 22, 2019 continues as on date. Presently, the matter of said lock is sub-judice before the Labour authorities.

In order to post sustainable profitability and implement the sound operational model to revive the Engineering Business Undertaking, it is considered necessary to rationalize the workforce and induct strategic partner(s) in the said Business Undertaking who can provide critically required modern technology and financial investment to sustain and expand the business operations.

Pursuant to above, the Board of Directors of the Company in its meeting held on November 28, 2019 have approved a composite scheme of arrangement for transfer of its said "Engineering Business undertaking" into its wholly owned subsidiary namely DCM Engineering Limited (formerly known as DCM Tools and Dies Limited), on a going concern basis with effect from the appointed date of October 01, 2019 and restructuring of outstanding loans, debts and liabilities of the Engineering Business Undertaking. The filing of Scheme for seeking approval from Hon'ble National Company Law Tribunal (NCLT) under Section 230 – 232 of the Companies Act, 2013 remained pending awaiting in principle approval of secured lenders (Banks). Pursuant to the settlement of dues of Banks under one time settlement agreed with them, the Company is in process of taking necessary steps to restructure and revive its Engineering business.

Real Estate Division

In view of the positive sentiments in real estate market post-Covid-19 and to help monetization of real estate assets of the Company, the Board of Directors of the Company have decided to evaluate the development potential of various land parcels owned by the Company at different locations to enlarge its real estate operations. Accordingly, the Company has initiated the process of development of its land parcel admeasuring about 68.35 acres situated at near Mela Ground, Hisar, Haryana (referred as 'Hisar land'). In this connection, the Company has entered into 'Joint Development Agreement' with a party for development of its said Hisar land under Deen Dayal Jan Awas Yojna. The above JDA is subject to receipt of certain government/regulatory approval(s) and compliance of certain terms and conditions by the said party. The said process of receiving regulatory approvals in the said matter is in process.

IT Business

The Company is engaged in the business of providing IT Infrastructure services specializing in networking, analytics, cloud and digital technologies through its material wholly owned subsidiary namely DCM Infotech Limited.

During the year under review, the sales and other income of DCM Infotech Limited was Rs. 69.55 crores (previous year Rs 47.12 crores) and Profit before Tax (PBT) was Rs 9.06 crores as compared to previous year (Rs 4.02 crores).

Based on market conditions and the growth prospects both in India and the USA, DCM Infotech Limited is consistently investing to build capabilities in new areas in the IT services and related software domain viz. cloud, digital transformation, mobile applications and VR, AI-ML and NLP based technologies.

The US business outlook continues to be optimistic and DCM Infotech Limited was able to expand its client base, create new partnerships and engage in additional business.

MATERIAL CHANGES AND COMMITMENTS

The dues of all the bankers [Viz. State Bank of India (SBI), ICICI Bank Limited (ICICI) and HDFC Bank Limited (HDFC)], who have provided term loans and working capital facilities to DCM Engineering Products, a unit of the Company (referred as 'the Engineering Division') have been fully settled under one time settlement (OTS) as agreed with them.

The majority of dues of operational creditors pertaining to Engineering Division of the Company have also been repaid/settled.

Further, pursuant to above, most of the recovery suits, IBC proceedings and/or any other legal proceedings initiated by said bankers/operational creditors have been withdrawn/ are in the process of withdrawal.

The process of development of land parcel admeasuring about 68.35 acres situated at near Mela Ground, Hisar, Haryana, owned by the Company has been initiated and is in progress which will help to monetize the Real Estate assets of the Company.

Except as stated above, there was no change in the nature of the business of the Company. Further, there were no other material changes and commitments affecting the financial position of the Company occurring between March 31, 2022 and the date of this Report.

CHANGES IN SHARE CAPITAL

There is no change in the issued and paid-up share capital of the company during the period under review.

SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANIES

As on March 31, 2022, the Company has six (6) subsidiaries and one associate company within the meaning of Section 2(87) and 2(6) of the Companies Act, 2013, as amended from time to time, respectively.

The Board of Directors of the Company in their meeting held on June 26, 2020 had approved the proposal for removal/strike off the name of certain non-operative subsidiary companies under the applicable provisions of the Companies, Act, 2013.

Pursuant to the aforesaid decision of the Board of Directors of the Company an application has been filed by one of the wholly owned subsidiaries namely DCM Finance & Leasing Limited with the Registrar of Companies, NCT of Delhi & Haryana, for Striking-Off its name which remained in process as on date.

Accordingly, at present, the Company has six (6) subsidiaries (includes one aforesaid wholly owned subsidiary which is under the process of striking off) and one associate company within the meaning of Section 2(87) and 2(6) of the Companies Act, 2013, as amended from time to time, respectively.

Please refer to the "State of the Company Affairs /Operations review" for the performance of the Company's material wholly owned subsidiary namely DCM Infotech Limited. The other subsidiaries of the Company are not carrying out any significant operations.

Purearth Infrastructure Ltd, an Associate Company where the DCM Limited is holding 16.56% equity shareholding, is in the business of construction and development of real estate project(s). During the financial year 2021-22, It has reported Revenue from operation and other income of Rs.221.67 crores (previous year Rs.16.69 crores) The Profit after tax was of Rs.31.29 crores (Previous year (Rs.5.45 crores).

Pursuant to provisions of Section 129(3) and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder, as amended from time to time, a statement containing salient features of the financial statements, performance and financial position of each of the subsidiaries, associates and joint venture companies in Form AOC-1 is provided as part of the financial statements of the Company at page no. 160 and hence not repeated here for the sake of brevity.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, as amended from time to time, the financial statements, consolidated financial statements of the Company along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company (www.dcm.in).

DIRECTORS

Mr. Vinay Sharma, retires by rotation at the ensuing 132nd Annual General Meeting (AGM) and being eligible offers himself for re-appointment as a director of the Company, liable to retire by rotation. A resolution in this respect is included in the Notice of forthcoming 132nd Annual General Meeting, for seeking approval of members of the Company.

Further, Mr. Vinay Sharma was appointed as Whole-Time Director of the Company designated as Executive Director (Business Operations) of the Company w.e.f. September 1, 2022 for a period of three (3) years w.e.f. September 1, 2022 up to August 31, 2025, subject to the approval of shareholders of the Company. A resolution in this respect is included in the Notice of forthcoming 132nd Annual General Meeting, for seeking approval of members of the Company.

During the year under review, Mr. Shayam Sunder Sharma was appointed as an Additional Director of the Company with effect from August 28, 2021 to hold office upto the date of 131st Annual General Meeting of the Company. However the Company could not include the resolution for regularization/appointment of Mr. Shayam Sunder Sharma in the said notice of Annual General Meeting of the Company held on September 28, 2021 for the reason that the appointment of Mr. Shayam Sunder Sharma was made subsequent to the date of issue of said notice. Pursuant to the above, he ceased to be director of the Company with effect from the date of said Annual General Meeting i.e. September 28, 2021.

Thereafter, Mr. Shayam Sunder Sharma was again appointed as an Additional Director of the Company with effect from September 30, 2021 to hold office upto the date of forthcoming Annual General Meeting of the Company. A resolution in this respect is included in the Notice of forthcoming 132nd Annual General Meeting, for seeking approval of members of the Company.

Mr. Sumant Bharat Ram was appointed as an Additional Director of the Company with effect from September 01, 2022 to hold office upto the date of forthcoming 132nd Annual General Meeting of the Company. A resolution in this respect is included in the Notice of forthcoming 132nd Annual General Meeting, for seeking approval of members of the Company.

Mr. Jitendra Tuli, was appointed as Managing Director of the Company, w.e.f. October 01, 2019, without payment of salary and perquisites but with sitting fees as paid to other directors, for a period of three (3) years. The said term of Mr. Jitendra Tuli will complete on September 30, 2022. The Board of Directors has recommended to the shareholders of the Company to reappoint Mr. Jitendra Tuli (DIN: 0027293) as Managing Director of the Company w.e.f. October 1, 2022 without payment of salary and perquisites but with sitting fees be paid as being paid to other directors, for a further period of 3 (three) years. A resolution in this respect is included in the Notice of forthcoming 132nd Annual General Meeting, for seeking approval of members of the Company.

Further, pursuant to the provisions of Section 149 of the Companies Act, 2013, as amended from time to time, the Independent Directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013, as amended from time to time, along with Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and there has been no change in the circumstances affecting their status as independent directors of the Company. In terms of Regulation 25(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, they have also 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 their duties.

STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

During the year no new Independent Director was appointed on the Board of Directors of the Company, therefore the statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year is not applicable.

DIRECTORS' RESPONSIBILITY STATEMENT

As required by Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, as amended from time to time, your directors state that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- (b) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis (please refer to the auditor's opinion in their report on standalone and consolidated financial statements of the Company with regard to material uncertainty related to going concern);
- (e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

KEY MANAGERIAL PERSONNEL

As on April 01, 2021, the following persons were the Whole-Time Key Managerial Personnel ('KMPs') of the Company in terms of provisions of Section 203 of the Companies Act, 2013, as amended from time to time:

- a. Mr. Jitendra Tuli – Managing Director;
- b. Mr. Vinay Sharma – Executive Director (Engineering Business);
- c. Mr. Ashwani Kumar Singhal – Chief Financial Officer;
- d. Mr. Vimal Prasad Gupta - Company Secretary & Compliance Officer

Further, Mr. Vimal Prasad Gupta, Company Secretary & Compliance Officer of the Company resigned from the position of Company Secretary & Compliance Officer of the Company w.e.f. June 10, 2021.

Mr. Sanjeev Kumar was appointed as Company Secretary & Compliance Officer of the Company w.e.f. June 29, 2021. Thereafter he resigned from the position of Company Secretary & Compliance Officer of the Company w.e.f. November 12, 2021.

Mr. Yadvinder Goyal was appointed as Company Secretary & Compliance Officer of the Company w.e.f. November 13, 2021.

Mr. Ashwani Kumar Singhal was re-appointed as Chief Financial Officer of the Company w.e.f. April 01, 2022.

Accordingly, as on March 31, 2022, the following persons are the Whole-Time Key Managerial Personnel ('KMPs') of the Company in terms of provisions of Section 203 of the Companies Act, 2013, as amended from time to time:

- a. Mr. Jitendra Tuli – Managing Director;
- b. Mr. Vinay Sharma – Executive Director (Engineering Business);
- c. Mr. Ashwani Kumar Singhal – Chief Financial Officer;
- d. Mr. Yadvinder Goyal- Company Secretary & Compliance Officer

NUMBER OF BOARD MEETINGS

Ten (10) meetings of the Board of Directors of your Company were held during the year under review (for further details please refer to the Corporate Governance Report, forming part of this Annual Report).

EVALUATION OF BOARD PERFORMANCE

The Board of Directors has carried out an Annual Performance Evaluation of its own, Individual Directors and Board Committees pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. The performance of the Board was evaluated by the Board, after seeking inputs from all Directors on the basis of the criteria such as Board composition, structures, effectiveness of Board processes, information and functioning etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as qualification, experience, knowledge, competency, availability, attendance, commitment and contribution of the Individual Director to the Board and Committee meetings.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as the composition of Committees, effectiveness of Committee meetings etc.

Further performance of Independent Directors was evaluated on additional criteria such as fulfillment of independence criteria by them and their independence from the management of the Company. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation, the directors who are subject to evaluation had not participated.

Also in a separate meeting of Independent Directors, performance of Non-Independent Directors, the Board as a whole and the Chairman were evaluated, taking into account formal & informal views of Executive Director(s) and Non-Executive Director(s). The Directors expressed their satisfaction with the evaluation process.

The above criteria are based on the Guidance Note on Board Evaluation issued by the Securities and Exchange Board of India. Based on inputs received from the Board members, it emerged that the Board had a good mix of competency, experience, qualifications and diversity. Each Board member contributed in his/her own manner to the collective wisdom of the Board, keeping in mind his/her own background and experience. There was active participation and adequate time was given for discussing strategy. Overall, the Board was functioning very well in a cohesive and interactive manner.

INTERNAL FINANCIAL CONTROL

The Company has a well-placed, proper and adequate Internal Financial Control (IFC) system which ensures that all assets are safeguarded and protected and that the transactions are authorised, recorded and reported correctly. The Company's IFC system also comprises due compliances with Company's policies and Standard Operating Procedures (SOP's) and supported by internal audit from reputed audit firms.

The Internal Auditors independently evaluate the adequacy of internal controls. 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.

STATUTORY AUDITORS

Members of the Company at the 130th AGM held on 25th September 2020, approved the appointment of M/s. S S Kothari Mehta and Company, Chartered Accountants, (Firm Registration no. 000756N), as the statutory auditors of the Company for a period of 5 years commencing from the conclusion of the 130th AGM held on 25th September 2020 until the conclusion of 135th AGM of the Company.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

The Statutory Auditors, Cost Auditors and Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder, as amended from time to time.

DIRECTORS' VIEW ON AUDITORS' OBSERVATIONS/OPINION

The Statutory Auditors' Report for financial year 2021-22 does not contain any qualification, reservation or adverse remark. The Report is enclosed along with the financial statements and forms the part of this Annual Report.

FIXED DEPOSITS/ DEBENTURE REPAYMENT

The Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, after the commencement of the Companies Act, 2013, accordingly, no disclosure or reporting is required in respect of deposits covered under Chapter V of the Companies Act, 2013, as amended from time to time.

Further, the Company has complied with its debt repayment obligation, including in respect of fixed deposits, debentures, loans and related interest, under Scheme of Restructuring and Arrangement (SORA) approved by the Hon'ble Delhi High Court vide its order dated October 29, 2003 under sections 391 – 394 of the Companies Act, 1956 and subsequently modified vide Hon'ble Delhi High Court order dated April 28, 2011.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**a) Transfer of unclaimed dividend to IEPF**

As required under Section 124 of the Companies Act, 2013 the unclaimed final dividend amount of Rs. 8,99,696/- for FY 2013-14 and Interim Dividend amount of Rs. 9,62,414/- for FY 2014-15 lying with the Company for a period of seven years were transferred during the Financial Year 2021-22 to the Investor Education and Protection Fund (IEPF) established by the Central Government.

b) Transfer of shares to IEPF

As required under Section 124 of the Companies Act, 2013, 14,753 & 27,384 nos. of Equity Shares of the Company, in respect of which unclaimed final dividend for FY 2013-14 and Interim Dividend for FY 2014-15 respectively had not been claimed by the members for seven consecutive years or more, have been transferred by the Company to the Investor Education and Protection Fund (IEPF) during the Financial Year 2021-22. Details of shares transferred to IEPF have been uploaded on the Website of IEPF as well as the Company.

The following tables give information relating to total amount lying in the Unpaid Dividend Accounts of the Company in respect of the last seven years and when such unclaimed Dividend is due for transfer to the IEPF:

Sr. No.	Financial Year	Type of Dividend	Due date of transfer to IEPF	Amount Outstanding as on 31.03.2022 (Rs. in Lakh)
1.	2014-15	Final Dividend	24.10.2022	9.55
2.	2015-16	Interim Dividend	15.01.2023	9.35
		Total		18.90

In view of above, shareholders of the Company are requested to claim the unclaimed amount of dividend, within the scheduled time.

c) Transfer of unclaimed fixed deposits and debentures

The unclaimed fixed deposits, debentures, or interest thereon have already been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government as per the requirement.

Any person whose shares and/or unclaimed/un-encashed dividend, fixed deposits, debentures and/or interest thereon, have been transferred to the IEPF, can claim back the shares and/or apply for refund of such dividend, fixed deposits, debentures, or interest thereon, as the case may be, by making an application to the IEPF Authority, in the prescribed Form.

RIGHTS ISSUE OF EQUITY SHARES

The Board of Directors of the Company in their meeting held on February 12, 2021 has given their consent to raise funds for an aggregate amount not exceeding Rs. 50 crores, by way of "Rights Issue" of Equity shares, to augment capital and expedite the completion of the de-leveraging of the Company and constituted a Special purpose Committee namely 'Rights Issue Committee' in this regard. The said Rights Issue Committee comprises of three directors namely Prof Sudhir Kumar Jain as Chairman, Mr. Bipin Maira and Mr. Jitendra Tuli as members of the Committee.

RISK MANAGEMENT

The Company has in place Risk Management Process for identifying / managing risks. The Company's Risk Management Framework helps in identifying risks and opportunities that may have a bearing on the organization's objectives, assessing them in terms of likelihood and magnitude of impact and determining a response strategy. The risk management process consists of risk identification, risk assessment, risk monitoring & risk mitigation. During the year, the Board was informed about measures taken for minimization of risks. The Board provides oversight and reviews the Risk Management process.

The Board believes that restructuring of Engineering Business Undertaking along with the settlement of debt pertaining to said Undertaking and infusing liquidity by focusing /managing of its real estate operation as well as other interim measures to improve liquidity, the Company will be able to continue its operation on a going concern basis.

AUDIT COMMITTEE

As on March 31, 2022, the Audit Committee of the Company consists of Dr. Kavita A Sharma, Chairperson, Mr. Bipin Maira and Prof. Sudhir Kumar Jain as members of the Audit Committee.

The terms of reference of the Audit Committee are in line with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the financial year 2021-22, the Company did not meet the criteria of constituting Corporate Social Responsibility Committee as required under Section 135(1) of the Companies Act, 2013, as amended, due to continued losses in the last few years. Accordingly, 'Corporate Social Responsibility Committee' of the Company was discontinued in financial year 2020-21.

Further, due to continued losses in last few years, the Company was not required to spend any amount on CSR activities during the financial year 2021-22.

However, due to net profits of more than Rs. 5 crores in financial year 2021-22, as per the requirement, the Board of Directors of the Company have constituted the CSR Committee of the Company consisting of Mr. Bipin Maira, Chairman, Mr. Jitendra Tuli and Dr. Kavita A Sharma, as members. This Committee is responsible for formulating and monitoring the CSR Policy of the Company. The Company's CSR Policy is available on the Company's website www.dcm.in

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, as amended from time to time, is enclosed as Annexure – I, and forms part of this Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

In terms of the 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, 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 are given in Annexure-II of this Board's Report.

Further, the details required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended in respect of Directors, KMPs and other employees of the Company, are given in Annexure-II-A of this Board's Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS U/S 186

Particulars of investments made and loans given and guarantee /security provided are given in the standalone financial statements. (Please refer to note nos. 5, 6 & 8 of the standalone financial statements).

Further, pursuant to the approval given by the members, the Company in its capacity as title holder of land at Bara Hindu Rao / Kishanganj, Delhi (Project land), in respect of which the development rights were vested with a joint venture company in terms of SORA, has mortgaged the said land for loans availed in connection with development of real estate project on the said land by joint venture company and also by a body corporate who has been developing the real estate project along with the said joint venture company. The outstanding amount of loans, on which mortgage was created, as on 31.03.2022 was Rs. 398.66 crores (previous year Rs. 406.58 crores).

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. All transactions with related parties were reviewed and approved by the Audit Committee.

The prescribed Form AOC-2 is enclosed as Annexure - III, and forms part of this Report. Your directors draw attention of members of the Company to Note No. 43 to the standalone financial statements which sets out related party disclosures.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013, as amended from time to time, the Annual Return of the Company as on March 31, 2022 is available on the Company's website on weblink: <https://dcm.in/147-2/>

SECRETARIAL AUDIT

In terms of Section 204 of the Companies Act, 2013 and Rules made thereunder, the Board of Directors of the Company have appointed M/s. Pragna Pradhan & Associates, Company Secretaries, to conduct Secretarial Audit for financial year 2021-22.

The Secretarial Audit Report of the Company for the financial year ended 31st March, 2022 as required under the Companies Act, 2013, read with Rules made thereunder, as amended from time to time and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, is enclosed herewith as Annexure – IV, and forms part of this Report.

In terms of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Secretarial Audit Report of Company's unlisted material subsidiary i.e. DCM Infotech Limited for the financial year 2021-22 is enclosed herewith as Annexure – IV-A, and forms part of this Report.

The Secretarial Compliance Report of the Company for the financial year ended 31st March, 2022, in relation to compliance of all applicable SEBI Regulations and circulars / guidelines issued thereunder, pursuant to requirement of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with SEBI Circular CIR/CFD/CMD1/27/2019 dated February 08, 2019 is enclosed herewith as Annexure - IV-B and forms part of this Report. The Secretarial Compliance Report has been voluntarily enclosed as part of Annual Report as good disclosure practice.

The Secretarial Audit Report and Secretarial Compliance Report of the Company for the Financial Year ended March 31, 2022 and the Secretarial Audit Report of Company's unlisted material subsidiary i.e. DCM Infotech Limited for the financial year 2021-22 do not contain any qualifications, reservation or adverse remark.

NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration Policy was approved by the Board of Directors of the Company. The main objective of the said policy is to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors, KMP and Senior Management employees. The remuneration involves a balance between fixed and incentive pay, reflecting short and long-term performance objectives appropriate to the working of the Company and its goals. The salient features of Nomination and Remuneration Policy are as stated below:

Appointment Criteria and Qualifications

The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel, or at Senior Management Personnel level and recommend to the Board his/ her appointment.

A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

Remuneration to Managing Director(s)/Whole Time Director(s)/ Key Managerial Personnel (KMP).

- (i) The Board, on the recommendation of the Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits permissible under the law.
- (ii) The Board, on the recommendation of the Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.
- (iii) The remuneration of Executive Directors and Key Managerial Personnel will include the following components:
 - a) Basic Pay;
 - b) Commission / Variable Component / Bonus;
 - c) Perquisites and Allowances;
 - d) Retirement Benefits.

Remuneration to Non-Executive and Independent Directors

- (i) The Board on the recommendation of the Committee shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits permissible under the law.
- (ii) The Non- Executive and Independent Directors would be paid remuneration by way of sitting fees for attending meetings of Board or Committee(s) thereof and profit related commission as may be recommended by the Committee and as permissible under the law.

Senior Management Personnel/ other Officers and Staff

- All remuneration, in whatever form, payable to Senior Management Personnel of the Company should be recommended by the Committee to the Board for its approval.
- Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

The Nomination and Remuneration Policy is enclosed herewith as Annexure - V, which forms part of this Report and is also available on the website of the Company at weblink: <https://dcm.in/wp-content/uploads/2020/12/Nomination-and-Remuneration-Policy.pdf>

COST AUDIT

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, the Company is maintaining cost records pertaining to Cast Iron Unit of the Company namely 'DCM Engineering Products' located at Shaheed Bhagat Singh Nagar, Punjab.

Directors' Report continued

In terms of the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, as amended from time to time, the Board of Directors, based on the recommendation of the Audit Committee, have appointed M/s. V Kumar & Associates, Cost Accountants (Firm Registration Number 100137), as Cost Auditors, for the Financial Year 2022-23, for conducting cost audit of cost accounts pertaining to Cast Iron Unit of the Company namely 'DCM Engineering Products' located at Shaheed Bhagat Singh Nagar, Punjab at a fee of Rs. 5,000/- (Rupees Five Thousand Only) plus GST & out-of-pocket expenses, if any.

A resolution seeking approval of Members for ratification of the remuneration payable to the Cost Auditor of the Company for the Financial Year 2022-23 is included in the notice of 132nd AGM of the Company.

CORPORATE GOVERNANCE

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Corporate Governance Report along with Auditors' certificate thereon and Management Discussion and Analysis Report are enclosed, and form part of this report.

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016) DURING THE YEAR ALONG WITH THEIR STATUS AS AT THE END OF THE FINANCIAL YEAR.

Sr No	Name	Amount Claimed with Interest (Rs. in lakhs)	Notices/ Petitions	Status as on March 31, 2022	Status as on September 01, 2022
1.	M/s. Kamal Castings	105.51	IBC Petition filed on 01.09.2020	Matter is settled and withdrawn.	-
2.	Foseco India Ltd	149.07	IBC Petition on 24.2.2020	Matter remained pending	Matter is settled and withdrawn.
3.	M/s. Mukul Steels	482.67	IBC Petition filed on 01.09.2020	Matter is settled and withdrawn.	-
4.	M/s. SKP Merchants LLP	66.46	IBC Petition filed on 24.2.2020	Matter is settled and withdrawn.	-
5.	M/s. Phool Chand Bhagat Singh	66.26	IBC Petition filed on 25.02.2020	Matter is settled and remained pending for withdrawal.	Matter is settled and withdrawn.
6.	Vedic Petrochemical Pvt Ltd	67.25	IBC Petition filed on 16.03.2020	Matter is settled and remained pending for withdrawal.	Matter is settled and remained pending for withdrawal.
7.	M/s. Longowal Traders	53.14	IBC Petition filed on 09.01.2021	Matter is settled and withdrawn.	-
8.	Elkem South Asia Pvt Ltd.	24.20	IBC Petition filed on 29.02.2020	Matter is settled and remained pending for withdrawal.	Matter is settled and remained pending for withdrawal.
9.	M/s. Chandigarh Steel Corporation	86.64	IBC Petition filed on 09.02.2021	Matter is settled and withdrawn.	-
10.	M/s. Multi Tech	7.43	IBC petition filed on 17.03.2020	Matter is settled and withdrawn.	-
11.	M/s. M.M Ceramics & Ferro Alloys	43.26	IBC Petition filed on 30.09.2020	Matter is settled and withdrawn.	-
	Total	1145.44			

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE- TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The Company has repaid and settled the dues of all the bankers (Viz. State Bank of India, ICICI Bank Limited and HDFC Bank Limited), who have provided term loans and working capital facilities (referred as 'said Credit facilities') to DCM Engineering Products, a Unit of the Company, under one- time settlement (OTS) as agreed with them.

However, the Bankers who have agreed for OTS have not provided any valuation report to the Company. Therefore the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the banks or financial institutions along with the reasons thereof, have not been provided here.

DISCLOSURE REQUIREMENTS

1. Details of the familiarization programme of the independent directors are available on the website of the Company at weblink: <https://www.dcm.in/wp-content/uploads/2016/10/Familiarisation-Program-for-Independent-Directors.pdf>.
2. Policy for determining material subsidiaries of the Company is available on the website of the Company at weblink: <https://dcm.in/wp-content/uploads/2022/07/Material-Subsidiary-Policy.pdf>
3. Policy on materiality of related party transactions and dealing with related party transactions is available on the website of the Company at weblink: <https://dcm.in/wp-content/uploads/2022/08/RPT-Policy-DCM-Limited-1.pdf>
4. The Company has formulated a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns, which is available on Company's website www.dcm.in. The provisions of this policy are in line with the provisions of Section 177(9) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
5. There were no significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
6. The Company has constituted Internal Complaints Committee(s) under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year, there were no cases reported under the said Act.
7. During the year under review, the Company has complied with mandatory applicable Secretarial Standards issued by Institute of Company Secretaries of India (ICSI).

ACKNOWLEDGEMENT

The Directors wish to acknowledge and thank the Central and State Governments and all regulatory bodies for their continued support and guidance. The Directors thank the shareholders, customers, business associates, Financial Institutions 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 Directors
For DCM Limited**

Sd/-

**Bipin Maira
Chairman**

Place: Delhi

Date: September 01, 2022

DCM

ANNEXURE – I (C) FOREIGN EXCHANGE EARNINGS & OUTGO

Information as per Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, as amended from time to time, and forming part of the Directors' Report for the year ended March 31, 2022 in respect of Engineering Division.

(A) CONSERVATION OF ENERGY

- (i) The steps taken or impact on conservation of energy: Nil
- (ii) The steps taken by the Company for utilizing alternate sources of energy: Nil
- (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: Nil
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)
 - a) The details of technology imported : NA
 - b) The year of import : NA
 - c) Whether the technology been fully absorbed: NA
 - d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: NA

(iv) The expenditure incurred on Research and Development

The approval given by the Department of Scientific & Industrial Research, Ministry of Science and Technology, Delhi for Recognition of In house R&D Unit was expired on 31.03.2021. Due to continuation of lockout of Engineering Division of the Company w.e.f October 22, 2019, the Company has not incurred any expenditure on R&D activities during the year 2021-22. The expenditure incurred on Research and Development during the previous year is also NIL.

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.

Rs. in Lakh

Particulars	Financial Year ended	Financial Year ended
	March 31, 2022	March 31, 2021
Foreign Exchange Earned	-	-
Foreign Exchange Used	-	-

For and on behalf of the Board of Directors

For DCM Limited

Place: Delhi
Date: September 01, 2022

Sd/-
Bipin Maira
Chairman

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. Details of top ten employees in terms of remuneration drawn during the year under review:

Sr. No.	Name	Age (Years)	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	Whether relative of Director or manager, if yes, then Name of Director or manager
1	Mr. Ashwani Kumar Singhal	65	Chief Financial Officer	B.Com(H), FCA,PHD	42	February 05, 1993	8.31	Modi Rubber Ltd	Nil	No
2	Mr. Neel Kamal	51	Sr. Manager Pnl. & Admn	MBA	30	April 13, 2018	3.90	Manjushree Techno pack, Baddi	Nil	No
3	Mr. Sujeet Kumar	48	AGM – IT	MBA	18	November 19, 2018	3.85	Panacea Biotech Ltd., Delhi	Nil	No
4	Mr. Jatinder Pal Singh	49	Dy. Manager Accounts	M.Com	26	March 03, 1996	2.97	N.A.	Nil	No
5	Mr. Manoj Kumar Sharma	49	Sr. Executive Accounts	B.A.	27	February 26, 1996	2.42	Indian Acrylics Limited, Chandigarh	Nil	No
6	Mr. Pawan Kumar Gupta	63	Jt. Manager (Taxation)	B.Com	41	June 01, 1981	2.36	NA	Nil	No
7	Mr. Sanjay Kumar Garg	60	Manager (Accounts)	B.Com	40	June 01, 1984	2.30	Ganga Exports Market (P) Ltd.	Nil	No
8	Mr. Yadvinder Goyal	47	Company Secretary	B.Com, ACS	22	November 11, 2021	2.29	Maharashtra Seamless Ltd	Nil	No
9	Mr. Varinder Sood	52	Asstt. Manager Accounts	B.Com	32	March 06, 1996	2.28	Shreyans Industries Ltd., Ropar	Nil	No
10	Mr. Boota Singh	42	Dy. Manager Plant Engg.	B.E.	18	August 17, 2009	2.23	Tech Auto Pvt Ltd. Ludhiana	Nil	No

Note: 1. The employment is contractual. 2. Remuneration include basic salary, contribution to provident and superannuation funds, allowances and taxable value of perquisites. 3. Pursuant to proviso to Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, the particulars of employees posted and working in a country outside India, not being directors or their relatives, drawing more than sixty lakh rupees per financial year or five lakh rupees per month have not been included in this statement. 4. Mr. Vinay Sharma was appointed as Whole-Time Director and designated as Executive Director (Engineering Business) of the Company w.e.f. December 15, 2020. However due to non-receipt of requisite approval of Lending Banks as per Section 197 read with schedule V of the Companies Act, 2013, as amended from time to time, no remuneration was paid to him during the year under review

ii. Details of employees employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees :

Sr. No.	Name	Age (Years)	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	Whether relative of Director or manager, if yes, then Name of Director or manager
	----	----	----	----	----	----	----	----	----	----

iii. Details of employees employed if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month:

Sr. No.	Name	Age (Years)	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	Whether relative of Director or manager, if yes, then Name of Director or manager
	----	----	----	----	----	----	----	----	----	----

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

Place: Delhi
Date: September 01, 2022

Sd/-
Bipin Maira
Chairman

ANNEXURE – II-A

Statement of Particulars as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time.

(A) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Particulars	Ratio to median remuneration
Non-Executive Director(s)[†]	
Mr. Bipin Maira	NA
Dr. Kavita A Sharma	NA
Prof. Sudhir Kumar Jain	NA
Mr. Shayam Sunder Sharma	NA
Executive Director(s)	
Mr. Jitendra Tuli ^{**}	NA
Mr. Vinay Sharma ^{***}	NA

[†]Non-Executive Directors of the Company were not paid any remuneration and were paid only sitting fee for attending meetings of the Board/Committees 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.

^{**}No remuneration was paid to Mr. Jitendra Tuli in his capacity as Managing Director. However he has been paid sitting fee as being paid to other Non-Executive for attending the meetings of Board or Committee(s), therefore, the said ratio of remuneration of each director to median remuneration of the employees of the company is not applicable.

^{***}Mr. Vinay Sharma was appointed as Whole-Time director and designated as Executive Director (Engineering Business) of the Company w.e.f. December 15, 2020. However due to non-receipt of requisite approval of Lending Banks as per Section 197 read with schedule V of the Companies Act, 2013, as amended from time to time, no remuneration was paid to him during the year. Therefore, the said ratio of remuneration of each director to median remuneration of the employees of the company is not applicable.

(B) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer & Company Secretary in the financial year:

Directors:

Particulars	% increase in remuneration in the financial year
Non-Executive Director(s)[#]	
Mr. Bipin Maira	NA
Dr. Kavita A Sharma	NA
Prof. Sudhir Kumar Jain	NA
Mr. Shayam Sunder Sharma	NA
Particulars	% increase in remuneration in the financial year
Executive Director(s)	
Mr. Jitendra Tuli ^{##}	NA
Mr. Vinay Sharma ^{###}	NA

[#]Non-Executive Directors of the Company were not paid any remuneration and were paid only sitting fee for attending meetings of the Board/Committees of directors. Therefore, the said percentage increase in remuneration Directors is not applicable.

^{##}No remuneration was paid to Mr. Jitendra Tuli in his capacity as Managing Director. However he has been paid sitting fee as being paid to other Non-Executive Directors for attending the meetings of Board or Committee(s), therefore, the said percentage increase in remuneration Director is not applicable.

^{###}Mr. Vinay Sharma was appointed as Whole-Time director and designated as Executive Director (Engineering Business) of the Company w.e.f. December 15, 2020. However due to non-receipt of requisite approval of Lending Banks as per Section 197 read with schedule V of the Companies Act, 2013, as amended from time to time, no remuneration was paid to him during the year. Therefore, the said percentage increase in remuneration Director is not applicable.

Chief Executive Officer, Chief Financial Officer and Company Secretary:

Particulars	% increase in remuneration in the financial year
Mr. Ashwani Kumar Singhal (Chief Financial Officer)	NIL
Mr. Vimal Prasad Gupta (Company Secretary)*	NA
Mr. Sanjeev Kumar** (Company Secretary)	NA
Mr. Yadvinder Goyal*** (Company Secretary)	NA

*Mr. Vimal Prasad Gupta, ceased to be Company Secretary & Compliance Officer of the Company w.e.f. June 10, 2021. As he was in employment of the Company, for the part of year 2021-22, therefore, the said percentage increase in his remuneration is not applicable.

** Mr. Sanjeev Kumar was appointed as Company Secretary & Compliance Officer of the Company w.e.f. June 29, 2021. However he ceased to be Company Secretary & Compliance Officer of the Company w.e.f. November 12, 2021. As he was in employment of the Company, for the part of year 2021-22, therefore, the said percentage increase in his remuneration is not applicable.

***Mr. Yadvinder Goyal was appointed as Company Secretary & Compliance Officer of the Company w.e.f. November 13, 2021. As he was in employment of the Company, for the part of year 2021-22, therefore, the said percentage increase in his remuneration is not applicable.

(C) The percentage increase in the median remuneration of employees in the financial year: Nil

(D) The number of permanent employees on the rolls of Company: 675

(E) Average percentile increase 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 increase in the salaries of employees other than the managerial personnel during the FY 2021-22 over FY 2020-21 was NIL. Non-Executive Directors of the company were not paid any managerial remuneration in the financial year 2021-22. There is no average annual percentile increase in managerial remuneration during the FY 2021-22 over FY 2020-21. For details in this respect please refer notes given at point No. (B) of this Annexure.

(F) Affirmation that the remuneration is as per the remuneration policy of the Company.

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

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

Sd/-
Place: Delhi
Date: September 01, 2022

Sd/-
Bipin Maira
Chairman

Form No. AOC – 2

[Pursuant to Clause (b) of sub-section (3) of Section 134 the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014], as amended from time to time

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, as amended from time to time including certain arm's length transactions under fourth proviso thereto.

1 Details of contracts or arrangements or transactions not at arm's length basis entered into during the financial year 2021-22: NIL

- (a) Name(s) of the related party and nature of relationship: N.A.
- (b) Nature of contracts/arrangements/transactions: N.A.
- (c) Duration of the contracts / arrangements/transactions: N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: N.A.
- (e) Justification for entering into such contracts or arrangements or transactions: N.A.
- (f) Date(s) of approval by the Board: N.A.
- (g) Amount paid as advances, if any: N.A.
- (h) Date on which the resolution was passed in general meeting as required under first proviso to section 188: N.A.

2 Details of material contracts or arrangements or transactions at arm's length basis entered into during the financial year 2021-22: NIL

- (a) Name of related party and Nature of relationship: N.A.
- (b) Nature of contracts/arrangements/transactions: N.A.
- (c) Duration of the contracts / arrangements/transactions: N.A.
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: N.A.
- (e) Date of approval by the Board/Committee: N.A.
- (f) Amount paid as advances, if any: N.A.

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

Place: Delhi

Date: September 01, 2022

Sd/-
Bipin Maira
Chairman

ANNEXURE IV

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March 2022

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

To,
The Members,
DCM Limited
Unit Nos. 2050 to 2052,
2nd Floor, Plaza - II, Central Square,
20, Manohar Lal Khurana Marg,
Bara Hindu Rao, Delhi – 110006.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 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 Limited ("the Company") for the financial year ended 31st March, 2022 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. 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 as amended;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended;
- 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 subject to the following:

Annexure - IV to the Directors' Report continued

Sr. No	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	National Stock Exchange of India Limited (NSE)	<p>Pursuant to the resignation of Dr. Vinay Bharat Ram, Non-Executive Director and Chairman of the Company w.e.f. February 17, 2021 the strength of the Board of directors of the Company was reduced to five (5) directors below the minimum number of six (6) directors prescribed for the top 2000 listed entities (with effect from April 1, 2020) as per Regulation 17(1)(c) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI LODR').</p> <p>As per the list of Top 2000 companies issued by BSE Limited, DCM Limited ('Company') ceased to be the part of top 2000 Companies as on 31.03.2021. Further list of Top 2000 companies listed on National Stock Exchange of India (NSE) was not available on NSE website. Hence after the resignation of Dr. Vinay Bharat Ram the requirement of having (6) Six Directors on the Board was considered not to be applicable on the Company.</p> <p>Later on the Company had received a letter from NSE wherein a link was provided containing the list of top 2000 companies as per NSE record. As per the list of Top 2000 Companies issued/provided by NSE, DCM Limited held 1497 position.</p> <p>After learning from link of NSE that the Company held 1497 position in the list of top 2000 companies issued by NSE, the Company in order to make compliance of the aforesaid regulation, took immediate steps and Mr. Shayam Sunder Sharma was appointed as an Additional Director on the Board of Company in the Board Meeting held on August 28, 2021 and strength of the Board was increased to six (6) directors.</p>	<p>NSE issued two penalty notices dated August 20, 2021 and November 22, 2021 for Rs. 2,65,500/- and Rs. 3,42,200/- respectively for non-Compliance with the requirement of minimum number of Directors on the Board of the Company for quarters ended June 30, 2021 and September 30, 2021 respectively.</p> <p>Further two representation applications dated September 03, 2021 and dated December 03, 2021 respectively were submitted by the Company to NSE for waiver of the said penalty/fine aggregating to Rs. 6,07,700/- imposed by NSE on the Company in the aforesaid matter.</p> <p>NSE vide its letter dated April 28, 2022 rejected both the representation applications of the Company for waiver of aforesaid fine of Rs. 6,07,700/-.</p> <p>Therefore, the Company has made full payment of penalty of Rs. 6,07,700/- to NSE on May 05, 2022 and also made a request to NSE for waiver of 50% of penalty amount.</p>	<p>After learning from link of NSE that the Company held 1497 position in the list of top 2000 companies issued by NSE, the Company in order to make compliance of the Regulation 17(1)(c) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, increased the strength of its Board of Directors to six (6) directors by appointing Mr. Shayam Sunder Sharma as an Additional Director on the Board of Company in the Board Meeting held on August 28, 2021.</p> <p>Thereafter the composition of the Board of Directors of the Company is as per the requirement of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time.</p> <p>Further, the Company has also made full payment of penalty of Rs. 6,07,700/- to NSE on May 05, 2022 and also made a request to NSE for waiver of 50% of penalty amount.</p>
2.	BSE Limited (BSE)	<p>Pursuant to the resignation of Dr. Vinay Bharat Ram, Non-Executive Director and Chairman of the Company w.e.f. February 17, 2021 the strength of the Board of directors of the Company was reduced to five (5) directors below the minimum number of six (6) directors prescribed for the top 2000 listed entities (with effect from April 1, 2020) as per Regulation 17(1)(c) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI LODR').</p> <p>As per the list of Top 2000 companies issued by BSE Limited, DCM Limited ('Company') ceased to be the part of top 2000 Companies as on 31.03.2021. Further list of Top 2000 companies listed on National Stock Exchange of India (NSE) was not available on NSE website. Hence after the resignation of Dr. Vinay Bharat Ram the requirement of having (6) Six Directors on the Board was considered not to be applicable on the Company.</p> <p>Later on the Company had received a letter from NSE wherein a link was provided containing the list of top 2000 companies as per NSE record. As per the list of Top 2000 Companies issued/provided by NSE, DCM Limited held 1497 position.</p> <p>After learning from link of NSE that the Company held 1497 position in the list of top 2000 companies issued by NSE, the Company in order to make compliance of the aforesaid regulation, took immediate steps and Mr. Shayam Sunder Sharma was appointed as an Additional Director on the Board of Company in the Board Meeting held on August 28, 2021 and strength of the Board was increased to six (6) directors.</p>	<p>The Company had received an email dated September 07, 2021 from BSE in respect of SOP-Reminder-August 2021 for freezing of promoter demat account (action under SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020) for non-compliance of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and non-payment of penalty of Rs. 2,65,500/-</p> <p>In response to aforesaid email of BSE, the Company had submitted its representation to BSE stating that:</p> <ul style="list-style-type: none"> the Company did not find/receive any communication in the past from BSE in respect of non-compliance of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (LODR regulation) and payment of penalty of Rs. 2,65,500/- Pursuant to the provisions of Regulation 17(1)(c) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time, the Board of Directors of the top 1000 listed entities (with effect from April 1, 2019) and that the top 2000 listed entities (with effect from April 1, 2020) shall comprise of not less than six directors. As per the list of top 2000 companies issued by BSE and available on the public domain of BSE, DCM Limited (Company) ceased to be the part of top 2000 companies as on 31.03.2021. Pursuant to above, the provisions of Regulation 17(1) (c) that <i>"the Board of Directors of the top 1000 listed entities (with effect from April 1, 2019) and that the top 2000 listed entities (with effect from April 1, 2020) shall comprise of not less than six directors"</i> is not applicable on the Company on the basis of list of top 2000 companies issued by BSE Limited. <p>The Company had also requested the BSE to withdraw said SOP-Reminder-August 2021 and not to take any further action under SEBI circular no. SEBI / HO / CFD/CMD / CIR / P / 2020/12 dated January 22, 2020 as regulation 17(1) is not applicable on the Company on the basis of list of top 2000 companies issued by BSE Limited as on 31.3.2021.</p>	<p>BSE vide its email dated May 26, 2022 informed that the Company's request for waiver of the fine has been approved.</p>

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 occurred:

1. In view of continued situation of industrial unrest at Engineering Business Division, the Company was forced to declare lockout at its Engineering Business Undertaking situated at Village Asron, District Shaheed Bhagat Singh Nagar (Punjab) w.e.f. October 22, 2019. The said lockout is still continues as on the date and no production activity is carried out at the Division.
2. The dues of all the bankers [Viz. State Bank of India (SBI), ICICI Bank Limited (ICICI) and HDFC Bank Limited (HDFC)], who have provided term loans and working capital facilities (referred as 'said Credit facilities') to DCM Engineering Products, a unit of the Company (referred as 'the Engineering Division') have been fully paid under One Time Settlement (OTS) as agreed with them.
3. The Board of Directors of the Company in its meeting held on November 28, 2019 have approved a composite scheme of arrangement for transfer of its said "Engineering Business undertaking" into its wholly owned subsidiary namely DCM Engineering Limited (formerly known as DCM Tools and Dies Limited), on a going concern basis with effect from the appointed date of October 01, 2019 and restructuring of outstanding loans, debts and liabilities of the Engineering Business Undertaking. The filing of Scheme for seeking approval from Hon'ble National Company Law Tribunal (NCLT) under Section 230 – 232 of the Companies Act, 2013 remained pending awaiting in principle approval of secured lenders (Banks).

**For Pragnya Pradhan & Associates
Company Secretaries**

Place: New Delhi
Date: September 01, 222

Sd/-
Pragnya Parimita Pradhan
ACS No. 32778
C P No.: 12030
UDIN: A032778D000871000
PR No.: 1564/2021

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

1. Factories Act, 1948;
2. Industries (Development and Regulation) Act 1951;
3. Minimum Wages Act, 1948;
4. Employees Provident Fund & Miscellaneous Provisions Act, 1952;
5. Industrial Employment (Standing Orders) Act, 1946;
6. Inter –State Migrant Workman (Regulation of Employment and Condition of Services) Act, 1979;
7. Maternity Benefit Act, 1961;
8. Payment of Gratuity Act, 1972;
9. Payment of Wages Act, 1936;
10. Environment (Protection) Act, 1986;
11. Water (Prevention and Control of Pollution) Act, 1974;
12. The Legal Metrology Act, 2009.

Annexure B

To,
The Members,
DCM Limited
Unit Nos. 2050 to 2052,
2nd Floor, Plaza - II, Central Square,
20, Manohar Lal Khurana Marg,
Bara Hindu Rao, Delhi – 110006.

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**

Place: New Delhi
Date: September 01, 222

Sd/-
Pragnya Parimita Pradhan
ACS No. 32778
C P No.: 12030
UDIN: A032778D000871000
PR No.: 1564/2021

ANNEXURE-IV-A

Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and rule

No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014,
as amended]

To,
The Members,
DCM INFOTECH LIMITED
Unit Nos. 2050 to 2052, 2nd Floor,
Plaza II, Central Square, 20,
Manohar Lal Khurana Marg,
Bara Hindu Rao, Central Delhi
Delhi - 110006

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

Based on our verification of the Company's books, papers, minute books, e-Forms and returns filed and other records maintained by the Company and also the information provided by the Company to us, 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, 2022 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, e-forms and returns filed and other records maintained by DCM INFOTECH LIMITED for the financial year ended on 31st March, 2022, according to the provisions of:

- 1) The Companies Act, 2013 ('the Act') and the rules made there under;
- 2) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- 3) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 4) Relevant provisions of the Securities Contracts (Regulation) Act, 1956, various Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, as amended, as the Company is a closely held Public Limited Company and also the material wholly owned subsidiary of listed entity namely DCM Limited.

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.

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 and Non-Executive 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.

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 of the Companies Act, 2013 read with relevant rules, Acts and regulations as stated above. We further report that during the period under review:

- The Company has paid the final dividend of Rs. 1.8/- (18%) per equity shares of Rs.10/- each on paid up equity capital of the Company for the financial year ended March 31, 2021.

The members of the Company had given their approval for alteration of the Article No. 88(1) of the Articles of Association (AOA) of the Company, which relates to payment of sitting fees to Non-Executive Directors of the Company for their attending meeting(s) of Board and Committee(s) thereof.

**For Pragnya Pradhan & Associates
Company Secretaries**

Sd/-
(Pragnya Parimita Pradhan)
ACS No. : 32778
C P No. : 12030
UDIN : A032778D000397439
PR No. : 1564/2021

**Place: New Delhi
Date: 26.05.2022**

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

Annexure A

The Members,
DCM INFOTECH LIMITED
Unit Nos. 2050 to 2052, 2nd Floor,
Plaza II, Central Square, 20,
Manohar Lal Khurana Marg,
Bara Hindu Rao, Central Delhi
Delhi - 110006.

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) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For Pragnya Pradhan & Associates
Company Secretaries**

Sd/-
(Pragnya Parimita Pradhan)
ACS No. : 32778
C P No. : 12030
UDIN : A032778D000397439
PR No. : 1564/2021

**Place: New Delhi
Date: 26.05.2022**

ANNEXURE - IV-B

**Secretarial Compliance Report of
DCM LIMITED for the year ended 31.03.2022**

I, Pragnya Parimita Pradhan, Proprietor of Pragnya Pradhan & Associates, Company Secretaries have examined:

- all the documents and records made available to us and explanation provided by the **DCM Limited** ('the listed entity');
- the filings/ submissions made by the listed entity to the Stock Exchanges;
- website of the listed entity;
- any other documents/ filings, as may be relevant, which has been relied upon to make this certification.

for the year ended 31.03.2022 ("Review Period") in respect of compliance with the provisions of:

- The Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, Circulars, Guidelines issued thereunder; and
- The Securities Contracts (Regulation) Act, 1956 ("SCRA"), Rules made thereunder and the Regulations, Circulars, Guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the Circulars/Guidelines issued thereunder, have been examined, include:-

- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time;
- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (*Not Applicable to the listed entity during the review period*);
- Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time;

- Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993;
- Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018(*Not Applicable to the listed entity during the review period*);
- Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014(*Not Applicable to the listed entity during the review period*);
- Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008(*Not Applicable to the listed entity during the review period*);
- Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013(*Not Applicable to the listed entity during the review period*);

and Circulars/Guidelines issued thereunder;

and based on the above examination, I hereby report that, during the Review Period:

- The listed entity has complied with the provisions of the above Regulations and Circulars/ Guidelines issued thereunder, except in respect of matters specified below:

Sr. No.	Compliance Requirement (Regulations/ Circulars / Guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
	Nil	Nil	Nil

- The listed entity has maintained proper records under the provisions of the above Regulations and Circulars/ Guidelines issued thereunder in so far as it appears from my examination of those records.
- The following are the details of actions taken against the listed entity/ its promoters/directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and Circulars/Guidelines issued thereunder:

Sr. No	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
1.	National Stock Exchange of India Limited (NSE)	<p>Pursuant to the resignation of Dr. Vinay Bharat Ram, Non-Executive Director and Chairman of the Company w.e.f. February 17, 2021 the strength of the Board of directors of the Company was reduced to five (5) directors below the minimum number of six (6) directors prescribed for the top 2000 listed entities (with effect from April 1, 2020) as per Regulation 17(1)(c) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI LODR').</p> <p>As per the list of Top 2000 companies issued by BSE Limited, DCM Limited ('Company') ceased to be the part of top 2000 Companies as on 31.03.2021. Further list of Top 2000 companies listed on National Stock Exchange of India (NSE) was not available on NSE website. Hence after the resignation of Dr. Vinay Bharat Ram the requirement of having (6) Six Directors on the Board was considered not to be applicable on the Company.</p> <p>Later on the Company had received a letter from NSE wherein a link was provided containing the list of top 2000 companies as per NSE record. As per the list of Top 2000 Companies issued/provided by NSE, DCM Limited held 1497 position.</p> <p>After learning from link of NSE that the Company held 1497 position in the list of top 2000 companies issued by NSE, the Company in order to make compliance of the aforesaid regulation, took immediate steps and Mr. Shayam Sunder Sharma was appointed as an Additional Director on the Board of Company in the Board Meeting held on August 28, 2021 and strength of the Board was increased to six (6) directors.</p>	<p>NSE issued two penalty notices dated August 20, 2021 and November 22, 2021 for Rs. 2,65,500/- and Rs. 3,42,200/- respectively for non-Compliance with the requirement of minimum number of Directors on the Board of the Company for quarters ended June 30, 2021 and September 30, 2021 respectively.</p> <p>Further two representation applications dated September 03, 2021 and dated December 03, 2021 respectively were submitted by the Company to NSE for waiver of the said penalty/fine aggregating to Rs. 6,07,700/- imposed by NSE on the Company in the aforesaid matter.</p> <p>NSE vide its letter dated April 28, 2022 rejected both the representation applications of the Company for waiver of aforesaid fine of Rs. 6,07,700/-.</p> <p>Therefore, the Company has made full payment of penalty of Rs. 6,07,700/- to NSE on May 05, 2022 and also made a request to NSE for waiver of 50% of penalty amount.</p>	<p>After learning from link of NSE that the Company held 1497 position in the list of top 2000 companies issued by NSE, the Company in order to make compliance of the Regulation 17(1)(c) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, increased the strength of its Board of Directors to six (6) directors by appointing Mr. Shayam Sunder Sharma as an Additional Director on the Board of Company in the Board Meeting held on August 28, 2021.</p> <p>Thereafter the composition of the Board of Directors of the Company is as per the requirement of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time.</p> <p>Further, the Company has also made full payment of penalty of Rs. 6,07,700/- to NSE on May 05, 2022 and also made a request to NSE for waiver of 50% of penalty amount.</p>

Annexure - IV-B to the Directors' Report continued

Sr. No	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
2.	BSE Limited (BSE)	<p>Pursuant to the resignation of Dr. Vinay Bharat Ram, Non-Executive Director and Chairman of the Company w.e.f. February 17, 2021 the strength of the Board of directors of the Company was reduced to five (5) directors below the minimum number of six (6) directors prescribed for the top 2000 listed entities (with effect from April 1, 2020) as per Regulation 17(1)(c) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'SEBI LODR').</p> <p>As per the list of Top 2000 companies issued by BSE Limited, DCM Limited ('Company') ceased to be the part of top 2000 Companies as on 31.03.2021. Further list of Top 2000 companies listed on National Stock Exchange of India (NSE) was not available on NSE website. Hence after the resignation of Dr. Vinay Bharat Ram the requirement of having (6) Six Directors on the Board was considered not to be applicable on the Company.</p> <p>Later on the Company had received a letter from NSE wherein a link was provided containing the list of top 2000 companies as per NSE record. As per the list of Top 2000 Companies issued/provided by NSE, DCM Limited held 1497 position.</p> <p>After learning from link of NSE that the Company held 1497 position in the list of top 2000 companies issued by NSE, the Company in order to make compliance of the aforesaid regulation, took immediate steps and Mr. Shayam Sunder Sharma was appointed as an Additional Director on the Board of Company in the Board Meeting held on August 28, 2021 and strength of the Board was increased to six (6) directors.</p>	<p>The Company had received an email dated September 07, 2021 from BSE in respect of SOP-Reminder-August 2021 for freezing of promoter demat account (action under SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/12 dated January 22, 2020) for non-compliance of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 and non-payment of penalty of Rs. 2,65,500/-</p> <p>In response to aforesaid email of BSE, the Company had submitted its representation to BSE stating that:</p> <ul style="list-style-type: none"> the Company did not find/receive any communication in the past from BSE in respect of non-compliance of Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (LODR regulation) and payment of penalty of Rs. 2,65,500/- Pursuant to the provisions Regulation 17(1)(c) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time, the Board of Directors of the top 1000 listed entities (with effect from April 1, 2019) and that the top 2000 listed entities (with effect from April 1, 2020) shall comprise of not less than six directors. As per the list of top 2000 companies issued by BSE and available on the public domain of BSE, DCM Limited (Company) ceased to be the part of top 2000 companies as on 31.03.2021. Pursuant to above, the provisions of Regulation 17(1) (c) that <i>"the Board of Directors of the top 1000 listed entities (with effect from April 1, 2019) and that the top 2000 listed entities (with effect from April 1, 2020) shall comprise of not less than six directors"</i> is not applicable on the Company on the basis of list of top 2000 companies issued by BSE Limited. <p>The Company had also requested the BSE to withdraw said SOP-Reminder-August 2021 and not to take any further action under SEBI circular no. SEBI / HO / CFD/CMD /CIR / P / 2020/12 dated January 22, 2020 as regulation 17(1) is not applicable on the Company on the basis of list of top 2000 companies issued by BSE Limited as on 31.3.2021.</p>	<p>BSE vide its email dated May 26, 2022 informed that the Company's request for waiver of the fine has been approved.</p>

(d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the Secretarial Compliance Report for the year ended 31.03.2021	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1	Nil	Nil	Nil	Nil

For Pragnya Pradhan & Associates

Sd/-
Pragnya Parimita Pradhan
(Company Secretary)
ACS No. -32778
CP No. - 12030
UDIN:- A032778D000392434
PR No.:- 1564/2021

Place : New Delhi
Date: 26th May, 2022

ANNEXURE – V

NOMINATION AND REMUNERATION POLICY**1. Preamble**

This Policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (“Listing Regulations”). This Policy was approved by the Board of Directors of the Company.

2. Definitions

- a) “Board”:- means Board of Directors of the Company as constituted from time to time under the Companies Act, 2013.
- b) “Director”:- means Directors of the Company.
- c) “Committee”:- Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time under the Companies Act, 2013.
- d) “Company”:- means DCM Limited.
- e) “Independent Director”:- As defined in Listing Regulations and/ or under the Companies Act, 2013 and relevant rules thereto.
- f) “Key Managerial Personnel” shall bear the meaning ascribed to it in sub-section 51 of Section 2 of the Companies Act, 2013.
- g) “Senior Management Personnel”:- shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and shall include the functional heads, company secretary and chief financial officer and such employees as may be deemed to be part of the core management team of the Company by the Board of Directors.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 and/ or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, shall have the meaning respectively assigned to them therein.

3. Key Principles

The following principles guide the design of remuneration under this Policy:

- (i) Attract, retain and motivate the right talent, including the directors, Key Managerial Personnel, Senior Management Personnel and employees, required to meet the goals of the Company.
- (ii) Remuneration to the Directors, Key Managerial Personnel, and Senior Management Personnel is aligned with the short term and long term goals and performance of the Company.
- (iii) Promote the culture of meritocracy, performance and accountability. Give appropriate weightage to individual and overall Company's performance.
- (iv) Reflect market trends and practices, competitive positions to attract the required talent.

4. Appointment Criteria And Qualifications

- (i) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, Key Managerial Personnel, or at Senior Management Personnel level and recommend to the Board his/ her appointment.

- (ii) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

5. Remuneration To Managing Director(S) / Whole Time Director(S) And Key Managerial Personnel

- (i) The Board, on the recommendation of the Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits permissible under the law.
- (ii) The Board, on the recommendation of the Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company
- (iii) The remuneration of Executive Directors and Key Managerial Personnel will include the following components:
 - a) Basic Pay
 - b) Commission / Variable Component / Bonus
 - c) Perquisites and Allowances
 - d) Retirement Benefits

6. Remuneration To Non Executive And Independent Directors

- (i) The Board on the recommendation of the Committee shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits permissible under the law.
- (ii) The Non- Executive and Independent Directors would be paid remuneration by way of sitting fees for attending meetings of Board or Committee thereof and profit related commission as may be recommended by the Committee and as permissible under the law.

7. Remuneration To Senior Management Personnel

All remuneration, in whatever form, payable to Senior Management Personnel of the Company should be recommended by the Committee to the Board for its approval.

8. Remuneration To Other Employees

Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

9. Evaluation

The Committee shall carry out evaluation of performance of every Director of the Company.

10. Amendments

The Committee may recommend amendments to this Policy from time to time as it deems appropriate.

CORPORATE GOVERNANCE REPORT

1. CORPORATE GOVERNANCE PHILOSOPHY

Corporate Governance is about credibility, transparency and accountability of the Board and Management towards shareholders and other investors of the Company. We believe in a Board of appropriate size, composition and commitment to adequately discharge its responsibilities and duties. We consistently review on a periodical basis all systems, policies and delegations so as to establish adequate and sound systems of risk management and internal control.

Through the Governance mechanism in the Company, the Board along with its Committees undertakes its fiduciary responsibilities to all its stakeholders by ensuring transparency, fair play and independence in its decision making.

The Corporate Governance philosophy is further strengthened with the adherence to Total Quality Management as a mean to drive excellence and articulating the Company's values and ethics with a Code of Conduct policy. Given below is a brief report for the year April 01, 2021 to March 31, 2022 on the practices followed at DCM Limited towards achievement of good Corporate Governance.

2. BOARD OF DIRECTORS

Composition and Category of Directors, attendance of the Directors at the Board Meetings and the last Annual General Meeting, Outside Directorship(s) and Membership(s) or Chairmanship(s) of Board Committees, name of the Listed entities wherein directorship held along with category of Directorship held in that listed Company and numbers of shares or convertible instruments held.

Above information as on March 31, 2022, as applicable, is tabulated hereunder:

Composition of the Board

As at March 31, 2022, in compliance with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred to as 'SEBI Listing Regulations'), the Company's Board of Directors comprised of total Six (6) directors namely Mr. Bipin Maira, Chairman, Mr. Jitendra Tuli, Managing Director, Dr. Kavita A Sharma, Prof. Sudhir Kumar Jain, Mr. Vinay Sharma and Mr. Shayam Sunder Sharma.

The Board of Directors of the Company consists of appropriate number of Executive Director(s), Independent Director(s) and Non-Executive Director(s) in conformity with the provisions of SEBI Listing Regulations. Mr. Bipin Maira is Non-Executive Chairman & Independent Director of the Company. Mr. Jitendra Tuli is Managing Director of the Company. Mr. Vinay Sharma is Executive Director (Engineering Business) of the Company. Dr. Kavita A Sharma is Independent Woman Director of the Company. Prof. Sudhir Kumar Jain is Independent Director of the Company and Mr. Shayam Sunder Sharma is Non Independent Non-Executive Additional Director of the Company.

All the directors bring with them rich and varied experience in different facets of the corporate functioning. They play an active role in the meetings of the Board.

Name of Director	DIN	Category of Director*	Number of equity shares of the Company held	No. of Board meetings held during tenure of directors in FY 2021-22	No. of Board meetings attended	Attendance at last AGM held on 28.09.2021	No. of outside Directorships held ^f	No. of membership(s) / Chairmanship(s) in Board Committees ^{##}		Name of Listed entities in which the outside directorships held & category of Directorship
								Member	Chairman / Chairperson	
Mr. Bipin Maira	05127804	I-NED	-	10	10	Yes	1	2	-	-
Mr. Jitendra Tuli	00272930	MD	-	10	10	Yes	1	2	1	DCM Nouvelle Limited (NI-NED)
Prof. Sudhir Kumar Jain	06419514	I-NED	-	10	10	Yes	-	2	1	-
Dr. Kavita A Sharma	07080946	I-NED	-	10	10	Yes	1	3	3	Universal Cables Limited (I-NED)
Mr. Vinay Sharma	08977564	ED	-	10	9	Yes	-	-	-	-
Mr. Shayam Sunder Sharma***	00272803	NI-NED	-	5	5	Yes	7	2	2	FCS Software Solutions Limited- (I-NED)

ED – Executive Director; PD - Promoter Director; I-NED- Independent –Non Executive Director; NED –Non Executive Director; NI-NED- Non-Independent –Non Executive Director; MD – Managing Director.

*Category of Directors is as on March 31, 2022.

^fDirectorships held in all other companies (including Section 8 company & foreign companies) are considered except Directorship held in DCM limited.

^{##}Membership(s)/Chairmanship(s) of only Audit Committee and Share Transfer, Finance Facilities and Stakeholders Relationship Committee (i.e. Stakeholder Relationship Committees) held by Directors in all the companies including DCM Limited have been considered. Further, Committee Membership count includes the count of Committee Chairmanship as per FAQ issued by National Stock Exchange of India (NSE).

^{***}Mr. Shayam Sunder Sharma was appointed as an Additional Director of the Company w.e.f August 28, 2021 to hold office upto the date of 131st Annual General meeting (AGM) of the Company. However the Company could not include the resolution for regularization/appointment of Mr. Shayam Sunder Sharma in the notice of said AGM of the Company held on September 28, 2021 for the reason that the appointment of Mr. Shayam Sunder Sharma was made subsequent to the date of issue of said notice. Pursuant the above, he ceased to be director of the Company w.e.f. the date of said AGM i.e. September 28, 2021. Thereafter, Mr. Shayam Sunder Sharma was again appointed as an Additional Director of the Company w.e.f. September 30, 2021.

Note: Directors attended the Annual General Meeting held on September 28, 2021, through video conferencing facility provided by the NSDL.

None of the Independent Directors of the Company served as Independent Director in more than seven listed companies and where any Independent Director is serving as whole-time director in any listed company, such director is not serving as Independent Director in more than three listed companies.

During the year under review, the Board met ten (10) times on April 16, 2021, June 29, 2021, August 13, 2021, August 28, 2021, September 24, 2021, September 30, 2021, November 12, 2021, December 03, 2021, February 11, 2022, and March 29, 2022. The maximum time gap between any two consecutive Board Meetings was less than one hundred and twenty days. All material information was circulated to the directors before the meeting and/or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of the SEBI Listing Regulations.

No director of the Company is inter-se related to any other director on the Board.

Skills/Expertise/Competence of the Board of Directors:

The below matrix provide the detail of core skills / expertise's / competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

Skills/Expertise/Competencies of the Directors					
Name of Director	Knowledge on Company's businesses, policies and major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.	Behavioural skills- attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.	Business Strategy, Corporate Governance, Administration, Decision Making.	Financial and Management skills.	Technical/ Professional skills and specialized knowledge in relation to Company's business.
Mr. Bipin Maira	Yes	Yes	Yes	Yes	Yes
Mr. Jitendra Tuli	Yes	Yes	Yes	Yes	Yes
Mr. Vinay Sharma	Yes	Yes	Yes	Yes	Yes
Prof. Sudhir Kumar Jain	Yes	Yes	Yes	Yes	Yes
Dr. Kavita A Sharma	Yes	Yes	Yes	Yes	Yes
Mr. Shayam Sunder Sharma #	Yes	Yes	Yes	Yes	Yes

Mr. Shayam Sunder Sharma was appointed as an Additional Director of the Company w.e.f September 30, 2021.

All the Independent Directors of the Company have given declaration(s) and have confirmed that they meet the criteria of independence as provided in the Section 149(6) of the Companies Act, 2013 read with rule made thereunder, as amended from time to time and Regulation 16 (1)(b) of SEBI Listing Regulations and they are not aware of any circumstances or situation, which exist or may be reasonably anticipated, that could impair or impact their liability to discharge their duties with an objective independent judgment and without any external influence.

Based upon the declaration and confirmation received from the Independent Directors of the Company under the provision of Section 149(6) of the Companies Act, 2013 read with rule made thereunder, as amended from time to time and Regulation 16(1)(b) of SEBI Listing Regulations, the Board is of the opinion that all the Independent Directors fulfill the conditions specified in the SEBI Listing Regulations & the Companies Act, 2013, as amended from time to time and are independent of the management of the Company.

No Independent Director has resigned, before expiry of his/her tenure, during the financial year 2021-22.

3. Compliance with the Code of Conduct

The Company's Board has laid down a Code of Conduct for all the Board members and Senior Management personnel of the Company, which has been provided to all concerned executives. The updated Code also incorporates the duties of Independent Directors of the Company. The Code of Conduct is available on the website of the Company at weblink:

<https://dcm.in/wp-content/uploads/2020/12/Code-of-conduct-Directors-and-Senior-Management.pdf>

All Board members and designated Senior Management Personnel have affirmed compliance with the Code of conduct. A declaration in this respect duly signed by the Managing Director of the Company is enclosed as **Annexure –A** and forms part of this report.

4. Audit Committee

As on March 31, 2022, the Audit Committee of the Company consists of three directors namely Dr. Kavita A Sharma, Chairperson, Mr. Bipin Maira and Prof. Sudhir Kumar Jain as members. The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013, as amended from time to time, as applicable, besides other terms as referred by the Board of Directors.

All members of Audit Committee are independent directors.

The broad terms of reference of Audit committee as on March 31, 2022, 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 the appointment and fee of Statutory Auditors, Internal Auditors, Cost Auditors, and Secretarial Auditors. Dr. Kavita A Sharma and Mr. Bipin Maira have knowledge of finance and accounts and Prof. Sudhir Kumar Jain has expertise in managerial economics and has knowledge of finance.

Audit Committee meetings are attended by Chief Financial Officer of the Company. Representatives of Statutory, Cost Auditors and Internal Auditors also attend the Audit Committee meetings on invitation.

During the year April 01, 2021 to March 31, 2022, Nine (9) Audit Committee meetings have taken place on April 16,2021, June 29, 2021, August 13, 2021, September 24, 2021, September 30, 2021 , November 12, 2021, December 03 2021, February 11, 2022 and March 29, 2022. The attendances of each director at these meetings were as under:

S. No.	Name	Designation	No. of meetings held during tenure of directors in FY 2021-22	No. of meetings attended
1.	Dr. Kavita A Sharma	Chairperson	9	9
2.	Mr. Bipin Maira	Member	9	9
3.	Prof. Sudhir Kumar Jain	Member	9	9

The composition and terms of reference of the Audit Committee are in conformity with the relevant provisions of SEBI Listing Regulations and the Companies Act, 2013, as amended from time to time.

5. Nomination and Remuneration Committee

The powers, role and terms of reference of the Nomination and Remuneration Committee covers the areas as contemplated under Regulation 19 of the SEBI Listing Regulations and Section 178 of the Companies Act, 2013, as amended from time to time, besides other terms as referred by the Board of Directors of the Company. As on March 31, 2022, the 'Nomination and Remuneration Committee' comprised of three directors namely Dr. Kavita A Sharma, Chairperson, Mr. Bipin Maira and Prof. Sudhir Kumar Jain as members.

Terms of Reference

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.

During the year April 01, 2021 to March 31, 2022, Six (6) meetings of the 'Nomination and Remuneration Committee' have taken place on June 10, 2021, June 29, 2021, August 28, 2021, September 30, 2021, November 11, 2021 and March 29, 2022. The attendance of each director at these meetings was as under:

S. No.	Name	Designation	No. of meetings held during tenure of directors in FY 2021-22	No. of meetings attended
1.	Dr. Kavita A Sharma	Chairperson	6	6
2.	Mr. Bipin Maira	Member	6	6
3.	Prof. Sudhir Kumar Jain	Member	6	6

Performance Evaluation criteria for Independent Directors

The performance evaluation criteria for Independent Directors was such as qualification, experience, knowledge, competency, availability, attendance, commitment, contribution of the individual directors to the Board and Committee meetings and fulfillment of independence criteria by them and their independence from the management. The performance evaluations of Independent Directors were done by the entire Board of Directors and in the evaluation, the directors who are subject to evaluation had not participated.

6. Remuneration of Directors

During the year under review, there was no pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company. Non-Executive Directors were only paid sitting fees for attending the meetings of Board of Directors and Committees thereof.

The details of sitting fee & remuneration paid/payable to directors of the Company during the year April 01, 2021 to March 31, 2022 are as under:

S. No.	Name	Sitting Fees Paid ¹ (Rs.)	Sitting Fees payable ² (Rs.)	Salary & Allowances (Rs.)	Perquisites	Contribution to PF etc.	Commission and performance linked Incentive	Total
1.	Mr. Bipin Maira	1,95,000	25,000	-	-	-	-	2,20,000
2.	Mr. Jitendra Tuli	1,25,000	10,000	-	-	-	-	1,35,000
3.	Dr. Kavita A Sharma	1,55,000	25,000	-	-	-	-	1,80,000
4.	Prof. Sudhir Kumar Jain	1,95,000	25,000	-	-	-	-	2,20,000
5.	Mr. Vinay Sharma*	-	-	-	-	-	-	-
6.	Mr. Shayam Sunder Sharma	40,000	10,000	-	-	-	-	50,000
	TOTAL	7,10,000	95,000					8,05,000

¹sitting fee paid/payable to directors not to be considered as part of their respective remuneration in terms of relevant provisions of the Companies Act, 2013, as amended from time to time.

²Mr. Vinay Sharma was appointed as Executive Director (Engineering Business) of the Company w.e.f. December 15, 2020. Further due to non-receipt of requisite approval of Lending Banks as per Section 197 read with schedule V of the Companies Act, 2013, as amended from time to time, no remuneration was paid to him during the year under review.

Service Contract and Severance Fees

- Mr. Vinay Sharma was appointed as Executive Director (Engineering Business) of the Company w.e.f. December 15, 2020 for a period of three years. His remuneration was fixed by the Board of Directors of the Company on recommendation of the Nomination and Remuneration Committee. Thereafter his remuneration was approved by shareholders of the Company. Further due to non-receipt of requisite approval of Lending Banks as per Section 197 read with schedule V of the Companies Act, 2013, as amended from time to time, no remuneration was paid to him during the year under review. The appointment of Mr. Vinay Sharma is governed by the resolution of the Board of Directors and shareholders of the Company.
- Mr. Jitendra Tuli, Managing Director of the Company has not drawn any remuneration from the Company. The Company has paid sitting fees to him for his attending the meeting(s) of Board of Directors and Committee(s) thereof.
- Non- Executive Directors are only paid sitting fees for attending the meetings of Board of Directors and Committees thereof.

Stock Option Scheme: The Company does not have any Stock Option Scheme for any of its directors or employees.

7. Share Transfer, Finance Facilities and Stakeholders' Relationship Committee

The powers, role and terms of reference of the Share Transfer, Finance Facilities and Stakeholders' Relationship Committee covers the areas as contemplated under Regulation 20 of SEBI Listing Regulations and Section 178 of the Companies Act, 2013, as amended from time to time, besides other terms as referred by the Board of Directors of the Company. As on March 31, 2022, 'Share Transfer, Finance Facilities and Stakeholders' Relationship Committee comprised of three Directors namely Prof. Sudhir Kumar Jain, Chairman, Mr. Jitendra Tuli and Mr. Bipin Maira, as members.

During the year April 01, 2021 to March 31, 2022, Seven (7) meetings of the 'Share Transfer, Finance Facilities and Stakeholders' Relationship Committee' have taken place on April 19, 2021, June 28, 2021, October 25, 2021, February 02, 2022, February 24, 2022, February 28, 2022 and March 22, 2022.

The attendance of directors at meetings of 'Share Transfer, Finance Facilities and Stakeholders' Relationship Committee was as follows:

S. No.	Name	Designation	No. of meetings held during tenure of directors in FY 2021-22	No. of Committee meetings attended
1.	Prof. Sudhir Kumar Jain	Chairman	7	7
2.	Mr. Jitendra Tuli	Member	7	6
3.	Mr. Bipin Maira	Member	7	7

The status of complaints received, disposed off & pending during the year ended March 31, 2022 is as under:

No. of Complaints Received during the financial year 2021-22	No. of Complaints not solved to the satisfaction of shareholders' / Investors'	No. of Complaints pending at the end of year i.e. 31.03.2022
10	0	0

Note : The Company has received all these complaints from BSE Listing Centre during financial year ended March 31, 2022. However these complaints were received by the Company from BSE Listing Centre through SEBI SCORE Platform. Accordingly two different Ref Nos. (Each by SEBI SCORE and BSE Listing Center) to each of these complaints have been assigned by BSE limited. In view of above, we have considered individual complaint as two (2) complaints and total number of complaints as Ten (10).

8. GENERAL BODY MEETINGS

Details of last three Annual General Meeting(s) (AGMs)

Year	Location	Date	Time	Details of Special Resolutions passed
2021	131 st AGM was conducted via video conferencing facility from Registered office of the Company situated at Unit Nos. 2050 to 2052, 2 nd Floor, Plaza II, Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi-110006	28.09.2021	11:00 A.M.	Special Resolution pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for continuation of appointment of Mr. Jitendra Tuli (DIN 00272930), as a Director of the Company, whose office of Director Is liable to retire by rotation.
2020	130 th AGM was conducted via video conferencing facility from Registered office of the Company situated at Unit Nos. 2050 to 2052, 2 nd Floor, Plaza II, Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi-110006	25.09.2020	11:45 A.M.	Special Resolution pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for approval of continuation of appointment Mr. Jitendra Tuli (DIN 00272930), as a Director of the Company, whose office of Director is liable to retire by rotation.

Year	Location	Date	Time	Details of Special Resolutions passed
2019	129 th AGM MPCU Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Civil Lines, New Delhi – 110054	30.09.2019	11:00 A.M.	<ol style="list-style-type: none"> 1.Special Resolution for approval of appointment of Mr. Jitendra Tuli, (DIN 00272930), as an Independent Director of the Company, not liable to retire by rotation. 2.Special Resolution for approval of re-appointment of Mr. Ravi Vira Gupta, (DIN 00017410), as an Independent Director of the Company, not liable to retire by rotation. 3.Special Resolution for approval of re-appointment of Mr. Bipin Maira, (DIN 05127804), as an Independent Director of the Company, not liable to retire by rotation. 4.Special Resolution for approval of re-appointment of Mr. Sudhir Kumar Jain, (DIN 06419514), as an Independent Director of the Company, not liable to retire by rotation. 5.Special Resolution for approval of re-appointment of Dr. Meenakshi Nayar, (DIN 06866256), as an Independent Woman Director of the Company, not liable to retire by rotation. 6.Special Resolution pursuant to Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for approval of continuation of appointment Dr. Vinay Bharat Ram (DIN 00052826), as a Director of the Company, whose office of Director is liable to retire by rotation. 7.Special Resolution for approval of re- appointment of Mr. Sushil Kapoor (DIN 02481289) as Whole-Time Director designated as Executive Director (Engineering Business) of the Company, for a period of three (3) years w.e.f. January 15, 2019 upto January 14, 2022. 8.Special Resolution for approval to sell, transfer, hive-off and/or otherwise dispose of Business Undertaking namely DCM Engineering Products located at village Ason, Shaheed Baghat Singh Nagar, Punjab-140001 to DCM Tools & Dies Limited, wholly owned subsidiary of the Company, on a going concern basis by way of a slump sale. 9.Special resolution for approval to sell/ transfer or otherwise dispose off in any manner of more than 50% of the Company's shareholding in DCM Tools & Dies Limited, wholly owned subsidiary of the Company (herein after referred to as 'DTDL') and /or to sell, transfer, dispose of Assets and /or, the whole or substantially the whole of the undertaking or one or more undertakings of DTDL.

POSTAL BALLOTS.

- i. Whether any Special Resolution passed last year through postal ballot and details of voting pattern - No special resolution was passed through postal ballot in the last year.
- ii. Person who conducted the postal ballot exercise - Not Applicable
- iii. Whether any special resolution is proposed to be conducted through postal ballot – At present, there is no proposal to pass any special resolution through Postal Ballot.
- iv. Procedure for Postal Ballot – Not Applicable

9. Means of Communication

The quarterly/half yearly/annual financial results are announced within the stipulated period and are generally published in Financial Express (English) and Jansatta (Hindi) newspapers and are also forwarded to the stock exchanges (BSE Limited and National Stock Exchange of India Limited) as per requirements of SEBI Listing Regulations. The results are put up on their website(s) by the Stock Exchanges. All financial results and other shareholder information are also available at the website of the Company at www.dcm.in. The quarterly/half yearly financial results are not sent to shareholders individually.

No presentation of financial results has been made to Financial Institutions/ analysts during the year ended March 31, 2022.

10. GENERAL SHAREHOLDER INFORMATION

i. Annual General Meeting

Day & Date : Friday, September 30, 2022

Time : 11:30 A.M.

Venue : The Company is conducting its 132nd AGM through VC/OAVM pursuant to the MCA General Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 read with Circular No. 20/2020 dated May 5, 2020 read together with Circular No. 02/2021 dated January 13, 2021 and Circular No. 2/2022 dated May 05, 2022 and SEBI circulars dated May 12, 2020, January 15, 2021 and May 13, 2022 and as such there is no requirement to have a venue for the AGM. For details, please refer to the Notice of this AGM.

ii. Book Closure Date : September 23, 2022 to September 30, 2022 (Both days inclusive)

iii. Financial Year : April 01 to March 31

iv. Dividend Payment Date : Not Applicable

v. Listing : Shares of Company are listed on following stock exchanges:
 Name: BSE Limited
 Address: Phiroje Jeejeebhoy Towers, Dalal Street, Mumbai-400001.
 Name : National Stock Exchange of India Limited
 Address : Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (E), Mumbai -400051.

Listing fee up to financial year 2021-22 has been paid to both of above Stock Exchanges.

vi. Stock code : Securities code for Company's equity shares on the Stock Exchanges are as follows:
 BSE Limited: 502820
 National Stock Exchange of India Limited: DCM

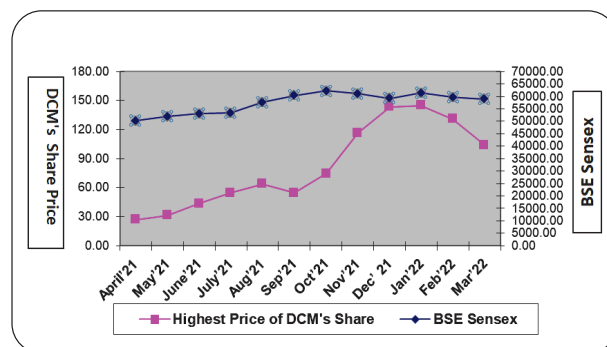
vii. Stock Market Data and Share price performance in comparison to broad base indices

a) DCM LIMITED v/s BSE SENSEX

	DCM LIMITED		BSE SENSEX	
	High	Low	High	Low
April-21	27.00	23.00	50375.77	47204.50
May-21	31.50	24.50	52013.22	48028.07
June-21	43.50	30.00	53126.73	51450.58
July-21	55.15	38.30	53290.81	51802.73
August-21	63.75	43.15	57625.26	52804.08
September-21	54.70	42.65	60412.32	57263.90
October-21	74.40	49.65	62245.43	58551.14
November-21	116.90	70.85	61036.56	56382.93
December-21	143.20	102.70	59203.37	55132.68
January-22	145.05	108.00	61475.15	56409.63
February-22	130.90	91.50	59618.51	54383.20
March-22	103.90	76.30	58890.92	52260.82

Source: BSE website

Chart of comparison of DCM Limited's Share Price with BSE Sensex.

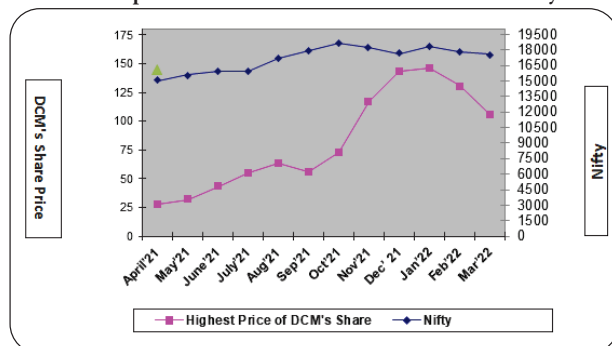


b) DCM LIMITED vs. NIFTY

	DCM LIMITED		NIFTY	
	High	Low	High	Low
April-21	28.00	23.20	15044.35	14151.40
May-21	31.75	24.30	15606.35	14416.25
June-21	43.25	30.15	15915.69	15450.90
July-21	55.20	38.05	15962.25	15513.45
August-21	63.80	43.45	17153.50	15834.65
September-21	56.20	43.00	17947.65	17055.05
October-21	73.35	49.65	18604.45	17452.90
November-21	116.90	72.05	18210.15	16782.40
December-21	143.50	100.20	17639.50	16410.20
January-22	146.00	106.70	18350.95	16836.80
February-22	131.00	91.50	17794.60	16203.25
March-22	105.90	75.35	17559.80	15671.45

Source: NSE website

Chart of Comparison of DCM Limited's Share Price with Nifty.

**viii. Registrar & Share Transfer Agent**

MCS Share Transfer Agent Limited, F-65, Okhla Industrial Area, Phase I, New Delhi- 110020. Telephone Nos: 011-41406149-52, Email: helpdeskreply@mcsregistrars.com.

ix. Share Transfer System

Share transfers, dividend payments and all other investor related activities are attended to and processed at the Office of the Company's Registrar and Share Transfer Agent i.e. MCS Share Transfer Agent Limited. For lodgment of deeds and any other documents or for any grievances/complaints, kindly contact MCS Share Transfer Agent Limited.

The Company's Shares are traded in the Stock Exchanges in compulsorily Demat mode as per Stock Exchanges Regulations. The Securities and Exchange Board of India (SEBI) vide gazette notification dated June 08, 2018 and vide its press release dated December 03, 2018, amended Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and had mandated to transfer securities only in dematerialized form w.e.f. April 01, 2019. SEBI vide its press release dated March 27, 2019 clarified that the transfer deeds lodged prior to deadline and returned due to deficiency in the document may be re-logged for transfer even after the deadline of April 01, 2019. Further, SEBI vide its circular dated September 07, 2020 has fixed March 31, 2021 as the cut-off date for re-lodgement of such transfer deeds.

SEBI vide gazette notification no. SEBI/LAD-NRO/GN/2022/66 dated January 24, 2022 read with SEBI circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated that the companies shall effect issuance of certificates or receipts or advices, as applicable in dematerialized form only, while processing the service requests relating to Issue of duplicate securities certificate, Claim from Unclaimed Suspense Account, Renewal / Exchange of securities certificate, Endorsement, Sub-division / Splitting of securities certificate, Consolidation of securities certificates/folios, Transmission and Transposition.

x. Distribution of shareholding as on March 31, 2022

Category	No. of Equity Shares	% of Shareholding
Promoters and Promoters group	90,66,634	48.54
Mutual fund, FPIs, FIs, Banks, Insurance Companies, Central Govt. and State Govt.(s)	11,91,984	6.38
Bodies Corporate	6,95,620	3.72
NRIs, Trusts and NBFC's	4,40,152	2.36
Individuals	69,52,885	37.23
Investor Education and Protection Fund (IEPF)	3,30,474	1.77
TOTAL	1,86,77,749	100.00

Shareholdings	No. of folios	No. of Equity Shares	% of Shareholding
Up to 5,000	26,210	25,55,865	13.68
5,001-10,000	75	5,44,626	2.92
10,001 – 50,000	50	10,75,755	5.76
50,001-1,00,000	16	11,25,739	6.03
Above 1,00,000	12	1,33,75,764	71.61
Total	26,363	1,86,77,749	100.00

xi. Dematerialization of Shares and liquidity

The process of conversion of shares from physical form to electronic form is known as dematerialization. For dematerializing the shares, the Shareholder has to open a demat account with a Depository Participant (DP). The Shareholder is required to fill in a Demat Request Form and submit the same along with the Share Certificate(s) to the DP. The DP will allocate a demat request number and shall forward the request physically and electronically, through NSDL/CDSL to the Registrar and Share Transfer Agent. On receipt of the demat request, both physically and electronically and after verification, the Shares are dematerialized, and an electronic credit of shares is given in the account of the Shareholder.

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 Depository Limited (NSDL) & Central Depository Services Limited (CDSL) for dematerialization of shares. ISIN of the Company for dematerialization of equity shares is INE 498A01018. As on March 31, 2022, 97.43% of paid-up share capital of the Company has been dematerialized.

The Equity Shares of the Company are frequently traded at BSE Limited and National Stock Exchange of India Limited.

xii. Outstanding ADRs/ GDRs / Warrants / Convertible Instruments, conversion date and likely impact on equity

The Company has not issued any Global Depository Receipts (GDRs) or American Depository Receipts (ADRs). There are no warrants or any convertible instruments outstanding as on March 31, 2022.

xiii. Location of Works:

Engineering Division: Shaheed Bhagat Singh Nagar (Punjab)

xiv. Company has not obtained any credit rating in respect of its debts instruments and fixed deposit program. However the Company had taken credit rating from CRISIL for the term loan and working capital facilities provided by banks to DCM Engineering Products, a Unit of the Company. However due to delay/default in payment of dues of banks, CRISIL has downgraded the aforesaid Long Term Credit rating to CRISIL D (Issuer Not Cooperating ; Rating Migrated).**xv. Address for Correspondence**

The shareholders may address their communication to the Registrar and Share Transfer Agents at their address mentioned above or to the Company Secretary, DCM Limited, Unit Nos. 2050 to 2052, 2nd Floor, Plaza - II, Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi – 110006 or at exclusively designated e-mail ID for any grievance at investors@dcml.in

11. Other Disclosures

- i. All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013, as amended from time to time and the SEBI Listing Regulations. During the year, there are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large. Related party transactions have been dealt with in note no. 43 to the Standalone Financial Statements annexed. These transactions are not in conflict with the interest of the Company.

The Board of Directors of the Company has formulated 'Related Party Transaction Policy', which is available on website of the Company at web link: <http://dcm.in/wp-content/uploads/2022/08/RPT-Policy-DCM-Limited-1.pdf>

- ii. The Company has complied with the requirements of the Stock Exchanges / SEBI and Statutory Authorities on all matters related to the capital markets during the last three years. None of the Company's listed securities were suspended from trading during the financial year 2021-22.

However during the financial year 2020-21, there has been a procedural delay of 8 days in the appointment of Independent Woman Director of the Company as per the provisions of SEBI Listing Obligation. Therefore a penalty/ fine of Rs. 47,200 (including GST) was imposed on the Company by each of the Stock Exchanges (BSE Limited & National Stock Exchange of India Limited).

Further during the financial year 2021-22 penalty of Rs. 6,07,700/- was imposed by National Stock Exchange of India Limited (NSE) upon the Company due to non-compliance with the requirements of Regulation 17(1)(c) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as 'SEBI LODR') on account of following:

Due to resignation of Dr. Vinay Bharat Ram, Non-Executive Director and Chairman of the Company w.e.f. February 17, 2021 the strength of the Board of directors of the Company was reduced to five (5) directors below the minimum number of six (6) directors prescribed for the top 2000 listed entities (with effect from April 1, 2020) as per Regulation 17(1)(c) of SEBI LODR.

As per the list of Top 2000 companies issued by BSE Limited, DCM Limited ('Company') ceased to be the part of top 2000 Companies as on 31.03.2021. Further list of Top 2000 companies listed on National Stock Exchange of India (NSE) was not available on NSE website. Hence after the resignation of Dr. Vinay Bharat Ram the requirement of having Six (6) Directors on the Board was considered not to be applicable on the Company.

Later on the Company had received a letter from NSE wherein a link was provided containing the list of top 2000 companies as per NSE record. As per the list of Top 2000 Companies issued/provided by NSE, DCM Limited held 1497 position.

After learning from link of NSE that the Company held 1497 position in the list of top 2000 companies issued by NSE, the Company in order to make compliance of the aforesaid regulation, took immediate steps and Mr. Shayam Sunder Sharma was appointed as an Additional Director on the Board of Company in the Board Meeting held on August 28, 2021 and strength of the Board was increased to six (6) directors.

NSE issued two penalty notices dated August 20, 2021 and November 22, 2021 for Rs. 2,65,500/- and Rs. 3,42,200/- respectively for non-compliance with the requirement of minimum number of Directors

on the Board of the Company for quarters ended June 30, 2021 and September 30, 2021 respectively.

Further two applications dated September 03, 2021 and dated December 03, 2021 respectively were submitted by the Company to NSE for waiver of the said penalty/fine aggregating to Rs. 6,07,700/- imposed by NSE on the Company in the aforesaid matter.

NSE vide its letter dated April 28, 2022 rejected both the applications of the Company for waiver of aforesaid fine of Rs. 6,07,700/-.

Therefore, the Company has made full payment of penalty of Rs. 6,07,700/- to NSE on May 05, 2022 and also made a request to NSE for waiver of 50% of penalty amount.

- iii. The Company has in place Vigil Mechanism/Whistle Blower policy which is also available on Company's website www.dcm.in. No personnel have been denied access to the audit committee.
- iv. All mandatory requirements as specified under SEBI Listing Regulations have been appropriately complied with. However, the Company has not adopted the non-mandatory requirements as specified in Part-E of Schedule II of SEBI Listing Regulations.
- v. Management Discussion and Analysis report forming part of the Annual Report is enclosed.
- vi. **Disclosure regarding appointment or re-appointment of directors**
Pursuant to the Regulation 36 of SEBI Listing Regulations, the information required to be given, in case of the appointment of a new director or re-appointment of a director, is given along with the Notice of AGM and enclosed with this annual report.

vii. Risk Management

The Company has systems in place to inform the Board members about the Risk Assessment and Risk Minimization. These are being revised from time to time to ensure appropriate Risk Management and control. The requirement of constitution of Risk Management Committee as prescribed under Regulation 21 of SEBI Listing Regulations is not applicable on the Company.

viii. Subsidiary Company

The Company has six (6) subsidiaries. However out of which one Subsidiary Company namely DCM Finance and Leasing Limited has applied for strike off its name from records of the Registrar of Companies.

All the Subsidiaries are managed by their respective Boards having the rights and obligations to manage such companies in the best interest of their stakeholders.

During the year under review, DCM Infotech Limited was material subsidiary of the Company. Accordingly the following requirements of SEBI Listing Regulations are duly complied:

- Composition of Board of Directors of unlisted material subsidiary as specified under Regulation 24(1); and
- requirement of obtaining Annual Secretarial Audit report for material subsidiary as specified under Regulation 24A read with SEBI Circular no. CIF/CFD/CMD1/27/2019 dated February 08, 2019.

All minutes of the Board meetings of unlisted subsidiary companies are placed before the Company's Board. All significant transactions and arrangements entered into by the unlisted subsidiary company are brought to the attention of Company's Board.

The Board of Directors of the Company has formulated 'Material Subsidiary Policy', which is available on website of the Company at weblink: <https://dcm.in/wp-content/uploads/2022/07/Material-Subsidiary-Policy.pdf>

The annual audited accounts of all the subsidiary companies and the related detailed information is available at the website of the Company at www.dcm.in. The annual accounts of the subsidiary companies are also kept for inspection by any shareholders at the head/registered office of the Company and of the subsidiary companies concerned. Also the Company shall furnish a hard copy of details of accounts of subsidiaries to any shareholder on request.

ix. CEO/CFO Certification

The certificate in compliance with Regulation 17(8) of SEBI Listing Regulations was placed before the Board of Directors in its meeting.

x. The details of familiarization programme for Independent Directors is available on website of the Company at weblink: <https://www.dcm.in/wp-content/uploads/2016/10/Familiarisation-Program-for-Independent-Directors.pdf>

xi. Commodity price risk and commodity hedging activities and foreign exchange risk

1. Risk management policy of the Company with respect to commodities including through hedging

In the Engineering Division, availability of consistent quality iron scrap gets affected during monsoon season. However, it does not have much impact as the Division manage the exposure by close monitoring of commodity price movements and ensuring the availability of iron scrap during this period to meet its production requirement by increasing its vendor base and/or stocking etc.

However during the Financial Year 2021-22, there was no production in the Engineering Division, due to lockout declared by Company w.e.f. October 22, 2019. Thus there was no procurement of iron scrap during the year.

The details of foreign currency exposure are disclosed in Note No. 46 to the standalone financial statement.

2. 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 clause 9(n) of Part C of Schedule V of the SEBI Listing Regulations and SEBI Circular SEBI/HO/ CFD/ CMD1 /CIR / P/2018/ 0000000141 dated 15th November, 2018, is as follows:

- a. Total exposure of the Company to commodities in INR: Nil
- b. Exposure of the Company to various commodities:

Commodity Name	Exposure in INR towards the particular commodity (In Rs.)	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	
Iron Scrap	Nil	Nil	Nil	Nil	Nil	Nil	Nil

- c. Commodity risks faced by the listed entity during the year and how they have been managed:

The commodity risks on above commodity are mitigated through close monitoring of the commodity prices movements and in respect of iron scrap, by ensuring the availability of iron scrap to meet its production requirement by increasing its vendor base and/or stocking etc. However during the Financial Year 2021-22, there was no production in the Engineering Division, due to lockout declared by Company w.e.f October 22, 2019.

xii. 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 SEBI Listing Regulations.

xiii. During the year under review, the Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

xiv. Disclosure with respect to demat suspense account/unclaimed suspense account: Not applicable

xv. A certificate has been received from Ms. Pragnya Parimita Pradhan, Practicing Company Secretaries (ACS 32778 and CP No. 12030), 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.

xvi. There were no instances of non-acceptance of any recommendation of any committee by the Board of Directors.

xvii. The Company and its subsidiaries has paid a fee of Rs. 15 lakh (including out of pocket expenses), on a consolidated basis, to M/s S S Kothari Mehta & Company, Chartered Accountants, Statutory Auditors of the Company during the year under review.

xviii. Disclosure in relation to Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as under:

- (a) number of complaints filed during the financial year 2021-22– Nil
- (b) number of complaints disposed of during the financial year 2021-22– Nil
- (c) number of complaints pending as on end of the financial year 2021-22– Nil

xix. Disclosure by listed entity and its subsidiaries of ‘Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount–Nil.

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

Place: Delhi
Date: September 01, 2022

**Sd/-
Bipin Maira
Chairman**

ANNEXURE – A

DECLARATION UNDER PARA D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS), REGULATIONS, 2015

MANAGING DIRECTOR DECLARATION

I, Jitendra Tuli, Managing Director of DCM Limited, certify based on annual disclosures received, that all Board members and senior management personnel have abided by the code of Conduct for Directors & Senior Management laid down by the Company.

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

Place: Delhi
Date: September 01, 2022

**Sd/-
Jitendra Tuli
Managing Director**



AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

**To The Members of
DCM Limited
New Delhi**

1. We have examined the compliance of conditions of Corporate Governance by **DCM Limited** ("the Company") for the year ended March 31, 2022, as stipulated in Regulations 17-27, clause (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 as amended ("Listing Regulations") pursuant to the Listing Agreement of the Company with Stock exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

2. The preparation of the Corporate Governance Report is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The Management along with the Board of Directors are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditors' Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to provide a reasonable assurance in the form of an opinion whether, the Company has complied with the conditions of Corporate Governance as specified in the Listing Regulations.
5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

6. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations during the year ended March 31, 2022.
7. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Emphasis on matter

8. We draw attention to Other Disclosures of the Corporate Governance Report relating to non compliance of Regulation 17(1)(c) of Listing Regulation towards composition of the Board of directors as explained in the said note. On August 28, 2021 the Company has taken corrective action to comply with the said regulation 17(1)(c). Our opinion is not modified in respect of this matter.

Restriction on use

9. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the 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 certificate is shown or into whose hands it may come without our prior consent in writing.

For S. S. KOTHARI MEHTA & COMPANY
Chartered Accountants
FRN - 000756N

Sd/-
Sunil Wahal
Partner

Membership No. 087294
UDIN : 22087294AQWBG15396

Place: New Delhi
Date: September 01, 2022

DCM

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ENGINEERING DIVISION

Industry Structure and Developments

The Indian automotive industry is the pillar of the manufacturing sector and provides employment to a large pool of people. Being the fourth largest automotive market globally, the sector plays a vital role in India's aspiration to become a USD 5 Trillion economy. Increasing urbanization, large workingage population, rising incomes and strong impetus on infrastructure and construction sectors have been driving the industry's growth over the years.

The foundry industry, also known as the casting industry, plays the role of a 'mother' industry in India. It is a core industry producing cast metal components which serve as a basic raw material for many sectors. The total Manpower in Foundry Sector is approx. 500,000 directly & 15,00,000 indirectly. The foundry sector is highly labour intensive & currently generates employment for 2 Million directly & indirectly mainly from socially & economically weaker sections of society. (Source: Foundry Informatics Centre)

There are approximately 4500 units out of which 90% can be classified as classified as Small Scale units & 10% each as Medium & Large Scale units. Approximately 1500 units are having International Quality Accreditation. Several large Indian foundries are modern and globally competitive with efficient induction furnaces and a growing awareness about environment and energy conservation. (Source: Foundry Informatics Centre)

The auto-casting industry in India, can be categorized into ferrous and non-ferrous segments. The industry comprises major engine components such as cylinder heads, cylinder blocks, gear housing, and braking components such as braked rums and housings, clutch and fly wheel housing.

Opportunities and Outlook

The Indian automotive industry, the fourth largest industrial sector in the country, is on the upswing and all global producers are relocating their manufacturing units to this region to be near the upcoming biggest consumer markets. At present, India is the third-largest casting producer in the world. This will further create more opportunities for castings and forging industries both for domestic production and for exports.

Casting and forging are one of the key engineering segments supplying various components to end-user industries such as Railways, Automobile, Defence, Aerospace, Material handling, Construction equipment, and Mines. In this regard, the Indian casting and forging sector is in a good position to generate higher revenues from the auto sector. Major expansion of manufacturing units, by way of organic and inorganic growth, has been playing an important role in this industry.

Industry stakeholders are taking initiatives to acquire technology, knowledge, experience, and expertise in the industry. Meanwhile, the Indian casting and forging industry has upgraded itself to be in sync with international practices. In view of the enormous potential, domestic players have started building up world class capabilities by either putting up greenfield projects or acquiring sick global units and turning them around to set up foreign businesses in India.

Few years ago, the industry was passing through a lean phase with many units shutting down due to lack of business. But things have looked up now and an air of optimism prevails.

However, in spite of the opportunities, the industry faces several challenges and these need to be addressed on a priority basis. Primarily, the industry lacks acutely the resources for upgrading its technological status and there is also a dearth of quality or skilled manpower.

Financial and Operational performance

The performance of the Engineering Division for the year ended March 31, 2022 is as follows:

S. No.	Particulars	Financial Year ended March 31,2022	Financial Year ended March 31,2021
1.	Gross Sales in Quantity (MT)	-	-
2.	Gross Production (MT)	-	-
3.	Sales & other Income (Rs. in lakh)	2,125.16	415.74
4.	Total Expenditure (Rs. in lakh)	(522.23)	(571.28)
5.	Profit before finance cost, Depreciation, Amortization & Tax (Rs. in lakh)	1,602.93	(155.55)
6.	Finance Cost (Rs. in lakh)	(412.10)	(851.01)
7.	Depreciation (Rs. in lakh)	(739.99)	(817.45)
8.	Profit before Tax (Rs. in lakh)	450.84	(1,824.00)
9.	Other comprehensive income (Rs. in lakh)	74.23	64.41
10.	Total comprehensive income/(loss) for the year (Rs. in lakh)	525.07	(1,759.59)

Due to continued situation of industrial unrest at the Engineering Division, the Company was forced to declare a lockout of its Engineering operation w.e.f October 22, 2019 which remain continues as on date.

During the year under review, no production activities were carried out due to said lockout.

Risk & Concerns

The Company's success depends on its ability to offer products as per customers' requirements in a timely manner and maintaining competitiveness/quality. In the short run, the need to established a high productivity environment through appropriate collaboration with workmen is key to stablished competitiveness. Intensifying competition and volatility in input cost could materially and adversely affect the Company's sales, financial conditions and results of operations.

Internal Controls

The Division has maintained adequate internal control systems commensurate with the nature of its business and size and complexity of its operations. These are regularly tested for their effectiveness by Statutory as well as Internal Auditors. Further, the internal control systems have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information. The Audit Committee reviews the adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, if any.

Manpower Development

The Engineering division has established a training centre called “Gurukul”. However due to continued situation of industrial unrest at the Engineering Division and subsequent declaration of a lockout of its Engineering operation w.e.f October 22, 2019, during the year under review no development held under this aspect. The total number of people on the rolls of Engineering Division are 667.

Industrial relations

In February 2016 after the wage settlement, certain disgruntled workmen started their nefarious activities. The workmen indulged in repeated instances of go slow, tool down, stoppage of work/ strikes besides violence and threatening/ beating the staff/supervisors. Due to continued situation of industrial unrest at the Engineering Division, the Company was forced to declare a lockout of its Engineering operation w.e.f October 22, 2019.

DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN FOLLOWING KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS THEREFORE:

Particulars	On Standalone Basis				On Consolidated Basis			
	for Financial Year 2021-22	for Financial Year 2020-21	% Change	Explanation	for Financial Year 2021-22	for Financial Year 2020-21	% Change	Explanation
Debtors Turnover Ratio	7.09	1.15	517	Please refer note no. i	5.34	4.48	19	Please refer note no. ii
Inventory Turnover Ratio	0.09	0.04	145	Please refer note no. i	5.88	3.56	65	Please refer note no. ii
Current Ratio	0.34	0.32	8	Please refer note no. i	0.67	0.47	43	Please refer note no. ii
Debt Equity Ratio	1.73	(6.08)	129	Please refer note no. i	1.95	(1.63)	219	Please refer note no. ii
Interest Coverage Ratio	5.32	(0.33)	1710	Please refer note no. i	6.95	0.17	4023	Please refer note no. ii
Operating Profit Margin	21.08	(22.58)	193	Please refer note no. i	0.47	(0.16)	387	Please refer note no. ii
Net Profit Margin	16.14	(39.55)	141	Please refer note no. i	0.43	(0.38)	215	Please refer note no. ii

DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF

Particulars	On Standalone Basis				On Consolidated Basis			
	for Financial Year 2021-22	for Financial Year 2020-21	% Change	Explanation	for Financial Year 2021-22	for Financial Year 2020-21	% Change	Explanation
Return on net worth	0.95	(1.07)	189	Please refer note no. i	1.62	(0.96)	269	Please refer note no. ii

Note:-

i. Note – Standalone

The ratio of the current year have improved on account of profit from real estate activities and certain written off/ waiver on account and payment /settlement on dues of creditors/ banks pertaining to Engineering Business of the Company as compare to losses reported in the previous year.

ii. Note – Consolidated

The ratio of the current year have improved on account of profit from real estate activities and certain written off/ waiver on account and payment /settlement on dues of creditors/ banks pertaining to Engineering Business as compare to losses reported in the previous year. Also the profit of the material subsidiary namely DCM Infotech Limited has improved and there is increase in share of profit of accounted investee company.

Previous year figures have been re-grouped / re-classified wherever necessary to correspond with current year classification/ disclosure.

Cautionary Note

Statements in the Management Discussion & Analysis report describing the Division'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 Division'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..

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

Place: Delhi
Date: September 01, 2022

**Sd/-
Bipin Maira
Chairman**

INDEPENDENT AUDITORS' REPORT

To the Members of D C M Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **D C M Limited** ("the Company"), which comprise the standalone balance sheet as at March 31, 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Material uncertainty relating to Going Concern

We draw attention to Note: 48 of the standalone financial statements highlighting that due to industrial unrest the Company is facing liquidity issues towards clearing of creditors/banks and other liabilities pertaining to its Engineering Division. This has significantly eroded the Company's net worth and the current liabilities exceed the current assets by Rs. 4,245.88 lakhs as at March 31, 2022. The Company has initiated restructuring of its Engineering Division as explained in the Note 39. The management believes that with the above restructuring of Engineering Business Undertaking along with the restricting/settlement of debt pertaining to said Undertaking and infusing liquidity by focusing /managing of its remaining business undertaking/real estate operation as well as other interim measures to improve liquidity, the Company will be able to continue its operation on a going concern basis.

Accordingly, the statement of the Company has been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

Without qualifying our opinion, we draw attention to the following:

- i. Note 50 of the standalone financial statements, during the previous year in view of continued situation of industrial unrest, Company has declared lockout at its engineering business undertaking. On the basis of legal advice Management of the Company is of the view that the present lockout is legal and justified. Therefore, the Company has not made any provision for wages pertaining to the lockout period from October 22, 2019 to March 31, 2022 aggregating to Rs. 4,402.50 lakhs.
- ii. Note 39 to the standalone financial statements, the Company has received certain recovery notices/petitions from the creditors and the bankers who have provided working capital/terms loan facilities to the Engineering Division of the Company. Pursuant to the restructuring scheme approved by the Board of the Company the settlement of all such creditors and bank has already been provided for in this Scheme. In addition, the Company is taking other interim measures as explained in the said Note 39 to improve liquidity, management action is also explained in the said note.
- iii. Note 39 to the standalone financial statements, the banking operation of current account(s) maintained by the Company has been discontinued by the Bankers in view of notification of RBI restricting opening/operation of current account by customers who have availed Cash Credit / Overdraft facilities. This has adversely impacted the ability of the Company to run its day-to-day operations as its cash credit/overdraft accounts are classified as NPA. In view of above, as an interim measure, the day-to-day banking transaction of receipt and as well as payment for statutory dues/overheads and/or other critical payments are facilitated by the Company through one of its wholly owned subsidiary.
- iv. Note 52 to the standalone financial Statements, which describes the uncertainties and the impact of Covid-19 pandemic on the Company's operations and results as assessed by the management.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2022. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in Auditor's responsibilities for the audit of standalone financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The audit of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

Key Audit Matters	How are audit addressed the key audit matters
<p>As at March 31, 2022, the Company's balance sheet includes property, plant and equipment amounting to Rs. 4,143.74 lakhs. The Engineering Division has continuous losses and accordingly, the management has assessed it for impairment.</p> <p>The assessment of the recoverable value of the assets of the Engineering Division aggregating Rs. 3,497.32 lakhs, incorporates significant judgement in respect of factors such as valuation of land, future production levels, sales prices, operating/capital costs and economic assumptions such as discount rates, inflation rates etc.</p> <p>We identified assessing impairment of property, plant and equipment of Engineering Division as a key audit matter, considering it to be significant to the Company's total assets, involving significant judgement and estimation in determining the recoverable amount.</p>	<p>Our procedures in relation to management's impairment assessment included, but not limited to, the following procedures:</p> <ul style="list-style-type: none"> • testing the design and implementation of controls in place; • obtaining and reviewing management assessment whether there were any indicators of impairment of property, plant and equipment as at March 31,2022; • obtaining valuation report in respect of land and plant & equipment carried out by external valuer; • assessing appropriateness of impairment assessment and methodologies used; • evaluating reasonableness of key assumptions used in the valuation; • assessing the adequacy of disclosures in the standalone financial statements, in respect of the property, plant and equipment.

Information other than the standalone financial statements and auditor's report thereon

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 standalone financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read Annual Report, if we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charge with governance.

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to standalone 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 standalone 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are

based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2020 ("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. 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 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 standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";

- g) In our opinion, the managerial remuneration for the year ended March 31, 2022 has been paid/provided by the Company to its directors in accordance with the provision of section 197 read with schedule V of the Act;
- h) 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, 2022 on its financial position in its standalone financial statements - Refer Note 41 to the standalone 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.
 - (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 56 to the standalone financial statements, no funds have been advanced or loaned or invested by the company to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 56 to the standalone financial statements, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause iv (a) and iv (b) contain any material misstatement.
 - v. No dividend has been declared or paid during the year by the Company.

For S.S. Kothari Mehta & Company
Chartered Accountants
Firm Registration No. 000756N

Sunil Wahal
Partner

Place: New Delhi
Date: May 28, 2022

Membership No: 087294
UDIN: 22087294AJUMBX4974

Annexure A to the Independent Auditor's Report to the members of D C M Limited on its standalone financial statements dated May 28, 2022.

Report on the matters specified in paragraph 3 of the Companies (Auditor's report) order 2020 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section.

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (a) (B) The Company has maintained proper records showing full particulars of intangibles assets.
- (b) All property, plant and equipment were physically verified by the management in the previous year in accordance with a planned program of verifying them once in three years which is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) disclosed in note 3 to the financial statements are held in the name of the Company except the registration of an immovable properties having carrying value of Rs. 362.99 lakhs remained pending as at balance sheet date.

Description of Property	Gross carrying value	Net carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company
Building	362.99 lakh	339.19 lakh	Purearth infrastructure Limited	Joint Venture of the Company	From 2019 onwards	Due to liquidity issue. The matter is in process.

- (d) The Company has not revalued its property, plant and equipment (including Right of Use Assets) or intangible assets during the year ended March 31, 2022.
- (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. No Discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.
- (b) As disclosed in note 56 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions on the basis of security of current assets of the Company. However, no quarterly statements are filed by the Company since the bank account of the Company has been classified as NPA and is inoperative.
- iii. During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.
- iv. There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

- v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- vii. (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows;

Name of statute	Nature of dues	Amount of dispute* (Rs. in lakhs)	Amount paid under protest (Rs. in lakhs)	Financial year to which it relates	Forum where the dispute is pending
Central Excise Act, 1944	Excise duty	0.50	-	2002-2003, 2003-2004	Supreme Court
Punjab VAT Act, 2005	Sales Tax	218.17	15.50	2012-2013	Punjab VAT Appellate Tribunal
		146.96	36.75	2011-2012	
		130.25	35.09	2010-2011	
		122.65	12.27	2013-2014	Deputy commissioner (Appeals)
Income Tax Act, 1961	Income Tax	442.18	-	1982 -1983 to 1989-1990	ITAT refer back to AO
Income Tax Act, 1961	Income Tax	66.08	-	2011-2012	High Court
Income Tax Act, 1961	Income Tax	36.11	-	2015-2016	Income Tax Appellate Tribunal

*amount as per demand Order including interest and penalty indicate the demand.

- viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) The Company has defaulted in repayment of dues to financial institutions and banks during the year as stated below. This matter has been disclosed in note 18 and 21 to the financial statements:

(Amount in lakhs)

Nature of borrowing, including debt securities	Name of lender	Amount not paid on due date (Rs. in lakhs)	Whether principal or interest	Period of delay
Term Loan	ICICI Bank	200.00	Principal	January 2020 to March 31, 2022
Term Loan	ICICI Bank	91.10	Interest	January 2020 to March 31, 2022
Term Loan	HDFC Bank	140.00	Principal	February 2021 to March 31, 2022
Term Loan	HDFC Bank	48.11	Interest	February 2021 to March 31, 2022
Overdraft	HDFC Bank	260.00	Principal & Interest	December 2020 to March 31, 2022
Cash Credit	ICICI Bank	465.02	Principal & Interest	October 2019 to March 31, 2022

- (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company did not raise any term loan during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.
- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures. The Company doesn't have any associate.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company. The Company doesn't have any associate.
- x. (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) No fraud/ material fraud by the Company or no fraud / material fraud on the Company has been noticed or reported during the year.
- (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), to clause 3(xii)(c) of the Order is not applicable to the Company.
- xiii. According to the information and explanation given by the management, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. (a) The Company has an internal audit system commensurate with the size and nature of its business.
- (b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.
- xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.
- (b) The Company has not conducted any Non-Banking Financial or Housing Finance activities without obtaining a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.
- (c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the current year. In the immediately preceding financial year, the Company had incurred cash losses amounting to Rs. 1139.99 lakhs.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report under Clause 3(xviii) of the Order is not applicable to the Company.
- xix. As referred to in 'Material Uncertainty Related to Going Concern' paragraph in our main audit report and as disclosed in Note 54 to the financial statements which includes the financial ratios and ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, though there exists some uncertainty but considering the various measures taken by Company in generating cash flows and the future plan given in note no. 39 of the financial statements, the Company may be capable of meeting its liabilities, existing at the date of balance sheet, as and when they fall due within a period of one year from the balance sheet date.
- We, further state that this is not an assurance as to the future viability of the Company and our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) There are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 53 to the standalone financial statements.
- (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in note 53 to the standalone financial statements.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect

of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For S. S. Kothari Mehta & Company
Chartered Accountants
Firm's Registration No. 000756N

Sunil Wahal
Partner

Place: New Delhi
Date: May 28, 2022

Membership No. 087294
UDIN: 22087294AJUMBX4974

Annexure B to the Independent Auditor's Report to the Members of D C M Limited on its standalone financial statements dated May 28, 2022.

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

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

Opinion

We have audited the internal financial controls over financial reporting of **D C M Limited** ("the Company") as of March 31, 2022, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management and the Board of Directors is responsible for establishing and maintaining internal financial controls [based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a

material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial controls with Reference to Standalone Financial Statements

A Company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial controls with reference to standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S.S. Kothari Mehta & Company
Chartered Accountants
Firm Registration No. 000756N

Sunil Wahal
Partner

Place: New Delhi
Date: May 28, 2022

Membership No: 087294
UDIN: 22087294AJUMBX4974

Standalone Balance Sheet as at March 31, 2022

(Rupees in lakh)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	4,143.74	4,990.54
Capital work in progress	3	-	7.25
Intangible assets	4	7.46	17.61
Financial assets			
(i) Investments	5	3,246.18	3,246.18
(ii) Other financial assets	6	180.33	180.31
Non-current tax assets (net)	7	396.79	364.71
Other non-current assets	8	747.73	881.16
Total non-current assets		8,722.23	9,687.76
Current assets			
Inventories	9	1,058.97	1,314.46
Financial assets			
(i) Trade receivables	10	13.89	17.19
(ii) Cash and cash equivalents	11	21.05	27.75
(iii) Bank balances other than (ii) above	12	103.48	166.96
(iv) Loans	13	17.05	22.38
(v) Other financial assets	14	636.45	43.42
Other current assets	15	144.93	1,624.63
Assets held for sale	44	205.05	205.05
Total current assets		2,200.87	3,421.84
Total assets		10,923.10	13,109.60
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	1,867.77	1,867.77
Other equity	17	(525.97)	(2,380.14)
Total equity		1,341.80	(512.37)
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	18	-	9.89
(ii) Other financial liabilities	19	2,443.79	2,005.52
Provisions	20	690.76	786.87
Total non-current liabilities		3,134.55	2,802.28
Current liabilities			
Financial liabilities			
(i) Borrowings	21	2,326.67	3,107.44
(ii) Trade payables	22		
Dues to micro and small enterprises		45.24	2,425.36
Dues to others		724.71	3,438.58
(iii) Other financial liabilities	23	2,925.44	1,326.43
Other current liabilities	24	309.83	312.12
Provisions	25	114.86	115.71
Current tax liabilities (net)	26	-	94.05
Total current liabilities		6,446.75	10,819.69
Total equity and liabilities		10,923.10	13,109.60
Significant accounting policies	2		
The accompanying notes are an integral part of these standalone financial statements			

As per our report of even date.

For S S Kothari Mehta & Company
Chartered Accountants
ICAI Firm Registration No.: 000756N

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

Sunil Wahal
Partner
Membership No.: 087294

Bipin Maira
Chairman
DIN: 05127804

Jitendra Tuli
Managing Director
DIN: 00272930

Dr. Kavita A Sharma
Director
DIN: 07080946

Place : New Delhi
Date : May 28, 2022

Ashwani Singhal
Chief Financial Officer

Yadvinder Goyal
Company Secretary

Place : New Delhi
Date : May 28, 2022

DCM

Standalone Statement of Profit and Loss for the year ended March 31, 2022

(Rupees in lakh)

Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Income			
Revenue from operations	27	110.15	50.48
Other income	28	3,599.25	480.61
Total income		3,709.40	531.09
Expenses			
Cost of materials consumed	29	-	(27.99)
Changes in inventories of finished goods and work in progress	30	40.66	24.77
Employee benefits expense	31	167.82	401.99
Finance costs	32	579.42	856.71
Depreciation and amortisation expense	33	762.11	856.71
Other expenses	34	416.68	415.60
Total expenses		1,966.69	2,527.79
Profit/(Loss) before tax		1,742.71	(1,996.70)
Tax expense			
Current tax expense	35	-	-
Tax adjustment relating to prior years		(35.48)	-
Deferred tax		-	-
		(35.48)	-
Profit/(Loss) for the year		1,778.19	(1,996.70)
Other Comprehensive Income			
<i>Items that will not be reclassified to profit or loss in subsequent year</i>			
Re-measurement gain on defined benefit plan		75.99	63.98
Income tax relating to remeasurement on defined benefit plan		-	-
<i>Net other comprehensive income not to be reclassified in subsequently year</i>		75.99	63.98
Total other comprehensive income, net of tax		75.99	63.98
Total comprehensive Income/(loss) for the year		1,854.18	(1,932.72)
Earnings per equity share of Rs. 10 each			
Basic and diluted	37	9.52	(10.69)

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date.

For S S Kothari Mehta & Company
Chartered Accountants
ICAI Firm Registration No.: 000756N

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

Sunil Wahal
Partner
Membership No.: 087294

Bipin Maira
Chairman
DIN: 05127804

Jitendra Tuli
Managing Director
DIN: 00272930

Dr. Kavita A Sharma
Director
DIN: 07080946

Place : New Delhi
Date : May 28, 2022

Ashwani Singhal
Chief Financial Officer

Yadvinder Goyal
Company Secretary

Place : New Delhi
Date : May 28, 2022

Statement of Standalone changes in equity for the year ended March 31, 2022

A. Equity share capital

(Rupees in lakh)

Particulars	Note	Amount
Balance as at April 1, 2020	16	1,867.77
Changes in equity share capital during the financial year 2020-2021		-
Balance as at March 31, 2021		1,867.77
Balance as at April 1, 2021	16	1,867.77
Changes in equity share capital during the financial year 2021-2022		-
Balance as at March 31, 2022		1,867.77

B. Other equity

(Rupees in lakh)

Particulars	Reserve and surplus				Total
	Capital reserve	Securities premium	Capital redemption reserve	Retained Earnings	
Balance as at April 1, 2020	25.40	1,061.19	130.10	(1,664.12)	(447.43)
Loss for the year	-	-	-	(1,996.70)	(1,996.70)
Other comprehensive income for the year	-	-	-	63.98	63.98
Total comprehensive loss for the year	-	-	-	(1,932.72)	(1,932.72)
Balance as at March 31, 2021	25.40	1,061.19	130.10	(3,596.84)	(2,380.14)
Balance as at April 1, 2021	25.40	1,061.19	130.10	(3,596.84)	(2,380.14)
Profit for the year	-	-	-	1,778.19	1,778.19
Other comprehensive income for the year	-	-	-	75.99	75.99
Total comprehensive income for the year	-	-	-	1,854.18	1,854.18
Balance as at March 31, 2022	25.40	1,061.19	130.10	(1,742.66)	(525.97)

Refer Note 17 for nature and purpose of reserve

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date.

For S S Kothari Mehta & Company
Chartered Accountants
ICAI Firm Registration No.: 000756N

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

Sunil Wahal
Partner
Membership No.: 087294

Bipin Maira
Chairman
DIN: 05127804

Jitendra Tuli
Managing Director
DIN: 00272930

Dr. Kavita A Sharma
Director
DIN: 07080946

Place : New Delhi
Date : May 28, 2022

Ashwani Singhal
Chief Financial Officer

Yadvinder Goyal
Company Secretary

Place : New Delhi
Date : May 28, 2022

Standalone Cash flow statement for the year ended March 31, 2022

(Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flow from operating activities		
Profit/(Loss) before taxation	1,742.71	(1,996.70)
Adjustments for :		
Depreciation and amortisation expense	762.11	856.71
Profit on assets sold or discarded (Net)	(4.59)	(13.90)
Liabilities no longer required written back	(2,102.64)	(340.47)
Dividend Income	(45.90)	(46.28)
Interest income	(4.26)	(50.50)
Provision for Impairment in value of Investments	-	20.00
Finance costs	579.42	856.71
Finance lease income	(0.23)	(6.64)
Allowance of expected credit loss	9.85	16.51
Bad debts and irrecoverable balances written off	0.38	45.29
Inventory of stores and spares written off	212.07	-
Remeasurement of revenue to finance income and lease receivable	-	142.01
Gain on extinguishment of rights to use asset	-	(3.05)
Operating cash flow before working capital changes	1,148.92	(520.31)
Working capital changes		
(Increase)/decrease in inventories	255.49	36.13
(Increase)/decrease in trade receivables	3.30	7.86
(Increase)/decrease in loans	5.33	8.15
(Increase)/ decrease in other financial assets	(593.05)	-
(Increase)/decrease in other assets	1,613.13	9.26
Increase/ (decrease) in trade payables	(2,991.35)	(18.77)
Increase/(decrease) in provisions	(96.96)	(43.48)
Increase/(decrease) in financial liabilities	2,036.68	167.41
Increase/(decrease) in other liabilities	(2.29)	(31.34)
Cash (used in) / generated from operations	1,379.20	(385.09)
Income tax (paid)/received (net of refund)	(91.79)	256.07
Net cash (used in) / generated from operating activities (A)	1,287.41	(129.02)
Cash flow from investing activities		
Payment towards property, plant and equipment (including Capital Advances)	-	(0.52)
Payment towards purchase of rights in flats	(17.50)	(11.15)
Proceeds from disposal of Property, plant and equipment (including advance received)	90.00	52.58
Proceeds from disposal of asset held for sale	-	25.97
Proceeds from redemption of preference shares measured as FVTPL	-	80.00
Proceeds from redemption of preference shares measured at amortised cost	-	0.48
Interest received on financial assets measured at amortised cost	5.95	10.87
Dividend received from subsidiaries	45.90	45.90
Maturity of / (Investment in) bank deposits (net) not considered as cash and cash equivalents	44.80	(58.40)
Net cash generated from investing activities (B)	169.15	145.73
Cash flow from financing activities		
Repayment of long term borrowings	(223.07)	(17.41)
Change in working capital borrowings	(566.99)	-
Payment towards lease liability	-	(0.59)
Interest paid	(673.20)	(8.85)
Net cash used in financing activities (C)	(1,463.26)	(26.85)
Net cash flows [increase / (decrease)] during the year (A+B+C)	(6.70)	(10.14)
Cash and cash equivalents at the beginning of the year	27.75	37.89
Cash and cash equivalents at the end of the year	21.05	27.75
Components of cash and cash equivalents		
Cash on hand	0.26	1.68
Balances with scheduled banks:		
- Current accounts	20.79	26.07
Cash and cash equivalents at the end of the year	21.05	27.75

Note: Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".
The accompanying notes are an integral part of these standalone financial statements

As per our report of even date.

For S S Kothari Mehta & Company
Chartered Accountants
ICAI Firm Registration No.: 000756N

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

Sunil Wahal
Partner
Membership No.: 087294
Place : New Delhi
Date : May 28, 2022

Bipin Maira
Chairman
DIN: 05127804
Ashwani Singhal
Chief Financial Officer
Place : New Delhi
Date : May 28, 2022

Jitendra Tuli
Managing Director
DIN: 00272930
Yadvinder Goyal
Company Secretary

Dr. Kavita A Sharma
Director
DIN: 07080946

DCM

1. Company overview and basis of preparation and presentation**1.1. Company overview**

DCM Limited (the 'Company') is a public limited company incorporated in India in the name and style of Delhi Cloth & General Mills Co. Limited herein after DCM Limited with registered office at Unit Nos. 2050 to 2052, 2nd Floor, Plaza - II, Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi – 110006, India (CIN number L74899DL1889PLC000004). The Company is listed on two stock exchanges in India namely National Stock Exchange and Bombay Stock Exchange. The Company is engaged in the business of Textiles, Grey iron casting, IT Infrastructure Services and Real Estate.

1.2. Basis of preparation and presentation

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The standalone financial statements were authorised for issue by the Company's Board of Directors on May 28, 2022. Details of the Company's accounting policies are included in Note 2.

a. Functional and presentation currency

These standalone 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 lakh, unless otherwise indicated.

b. Basis of measurement

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

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

Use of estimates and judgements

In preparing these standalone 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

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

Note 2 (f) - classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

Note 2 (m) - lease classification

Note 2 (m) - leases: whether an arrangement contains a lease

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2022 is included in the following notes:

Note 2 (c) - measurement of useful lives and residual values to property, plant and equipment

Note 2 (d) - measurement of useful lives of intangible assets

Note 2 (f) - fair value measurement of financial instruments

Note 2 (j) - measurement of defined benefit obligations: key actuarial assumptions

Note 2 (k) - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources

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

2. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these Standalone 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 realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

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 an 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

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. This includes the corporate finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the board of directors.

The corporate 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.

Significant valuation issues are reported to the Company's audit committee.

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).

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.

c. 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 and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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 or 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 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, the initial estimate of dismantling and removing the items and restoring the site on which they are located.

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.

- (i) The Company follows straight-line method of depreciation in respect of buildings, plant and machinery, all assets of IT Division, all assets of Engineering Division and written down value method in respect of other assets.
- (ii) 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.
- (iii) On assets sold, discarded, etc., during the year, depreciation is provided up to the date of sale/discard.
- (iv) Depreciation has been calculated on a pro-rata basis in respect of acquisition/installation during the year.
- (v) Leasehold improvements are amortised over the balance of the primary lease period or the useful lives of assets, whichever is shorter.
- (vi) Freehold land is not depreciated.

Depreciation methods, useful lives and residual values are reviewed at each financial year, and changes, if any, are accounted for prospectively. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

d. Intangible assets

Recognition and measurement

Intangible assets comprise computer software. Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised.

Amortisation

The management's estimates of the useful lives of the Software are 3-5 years.

Amortisation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

e. Inventories

- (i) Stores, spares and components are valued at cost or under.
- (ii) Raw materials, process stocks, finished goods and stock in trade are valued at lower of cost and net realisable value.
- (iii) Land (for development) on conversion into inventory from fixed assets is valued at the lower of its historical cost and net realisable value, and includes appropriate share of land development expenses and finance cost of borrowed funds relatable thereto.

Cost of inventories, other than land (for development), is ascertained on the weighted average basis in textiles division and moving weighted average basis in engineering division. Further, in respect of the manufactured inventories, i.e., process stocks and finished goods, appropriate share of manufacturing expenses are included on absorption costing basis. Work in process relating to software contracts includes salary and other directly identifiable expenses incurred on fixed price contracts, till the completion of specified deliverables, and are valued at cost or net realisable value, whichever is lower.

f. Financial instruments

Recognition and initial measurement

(i) Financial assets

Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provision of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial asset or financial liabilities, as appropriate, on initial recognition.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

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.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI-equity investment). The election is made on an investment-by-investment basis.

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 using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component 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 required to be 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 profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit and loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Offsetting

Financial assets and financial liabilities are offset and the net amount 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.

(iv) Investment in Subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

*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 statement of profit or 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.

h. Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets and employee benefit assets, which continue to be measured in accordance with the Company's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the financial statement.

i. Discontinued operations

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and represents a separate major line of business or geographical area of operations; is a part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or is a subsidiary acquired exclusively with a view to sell.

Discontinued operations are carried at the lower of carrying amount or fair value less cost of disposal. Any gain or loss from disposal, together with the results of these operations until the date of disposal, is reported separately as discontinued operations. The financial information of discontinued operations is excluded from the respective captions in the financial statements and related notes for all periods presented.

Adjustments in the current period to amounts previously presented in discontinued operations that are directly related to the disposal of a discontinued operation in a prior period are classified separately in Discontinued operations.

j. 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

Provident Fund: 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.

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 or loss during the period in which the employee renders the related service and also includes contribution to national pension scheme and overseas social security contribution.

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 plans:

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 long-term employee benefits

Benefits under the Company's compensated absences are other long term employee benefits. The Company's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in statement of profit or loss in the period in which they arise.

k. 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. 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.

l. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

However, sales tax/ value added tax (VAT)/ Goods and Services Tax (GST) is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognized.

i. Sale of goods

The Company recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned or deferred revenue is recognised when there is billings in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Company reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

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.

Use of significant judgements in revenue recognition:

- a) The Company's contracts with customers could include promises to transfer products to a customer. The Company assesses the products promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- b) Judgment 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. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. 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.
- c) The Company uses judgment to determine an appropriate standalone selling price for a performance obligation. The Company allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract.
- d) The Company exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Company considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

iii. Other income

- a. Dividend income is recognised in statement of profit or loss on the date on which the Company's right to receive payment is established.
- b. 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.

m. Leases

Policy applicable before April 1, 2019

i. Determining whether an arrangement contains a lease

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

ii. Assets held under leases

Leases of property, plant and equipment that transfer to the Company substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Company substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Company's Balance Sheet.

iii. Lease payments

Payments made under operating leases are generally recognised in statement of profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charges is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

iv. Assets given on lease

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Policy applicable after April 1, 2019

The Company has adopted Ind AS 116 effective from April 1 2019 using modified retrospective approach. For the purpose of preparation of Standalone Financial Information, management has evaluated the impact of change in accounting policies required due to adoption of Ind AS 116 for year ended March 31 2020.

The Company has used number of practical expedients when applying Ind AS 116: - Short-term leases, leases of low-value assets and single discount rate. The Company applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date. The Company's leases mainly comprise land and buildings.

i. Determining whether an arrangement contains a lease

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the assets.

ii. Assets held under leases

As a lessee, the Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The **right-of-use asset** is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right- of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

iii. Lease liabilities

The **lease liability** is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise the fixed payments, including in substance fixed payments; The lease liability is measured at amortised cost using the effective interest method.

iv. Short term leases and low value leases

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Company recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

v. Assets given on lease

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

n. Income tax

Income tax comprises current and deferred tax. Current tax expense is recognized in statement of profit or 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 or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax 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.

Minimum Alternative Tax ("MAT") expense under the provisions of the Income-tax Act, 1961 is recognised as an asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is written down to reflect the amount that is reasonably certain to be set off in future years against the future income tax liability. MAT Credit Entitlement is presented as part of deferred tax in the balance sheet.

o. 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.

In addition to the significant accounting policies applicable to the segments as set out in note 2 of notes forming part of the financial statement, the accounting policies in relation to segment accounting are as under :-

i) Segment assets and liabilities

All segment assets and liabilities have been allocated to the various segments on the basis of specific identification. Segment assets consist principally of fixed assets, capital work in progress, inventories, trade receivables, other financial and non-financials assets and loans. Segment assets do not include unallocated corporate assets, investments, advance tax and other assets not specifically identifiable with any segment.

Segment liabilities include all operating liabilities and consist principally of trade payables and accrued liabilities. Segment liabilities do not include borrowings and those related to income taxes.

ii) Segment revenue and expenses

Segment revenue and expenses are directly attributable to the segment and have been allocated to various segments on the basis of specific identification. Segment revenue does not include interest income and other income in respect of non-segmental activities. Segment expenses do not include depreciation on unallocated corporate fixed assets, interest expense, tax expense and other expenses in respect of non-segmental activities.

iii) Inter segment sales

Inter-segment sales are accounted for at cost and are eliminated in consolidation.

p. 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.

q. 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 elements in equity shares issued during the year and excluding treasury shares.
- Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs 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.

r. 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 take a substantial period of time to get ready for their 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.

s. Finance expense

Finance expenses comprises of interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest cost) incurred in connection with the borrowings of funds. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in the statement of profit and loss using the effective interest method.

t. 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 or loss over the period necessary to match them with the costs that they are intended to compensate and presented within 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 statement of profit or 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.

u. Research and development expenses

Expenditure on research is expensed off under the respective heads of account in the period in which it is incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised, if the cost can be reliably measured, the product or process is technically and commercially feasible and the Company has sufficient resources to complete the development and right to use the asset. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads that are directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the statement of profit or loss as an expense as incurred.

Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses. Property, plant and equipment used for research and development are depreciated in accordance with the Company's policy as stated above.

Materials identified for use in research and development process are carried as inventories and charged to the statement of profit or loss on consumption of such materials for research and development activities.

v. Foreign currency transactions and translation

Transactions in foreign currencies are translated into the respective functional currencies 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 statement of profit or 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 statement of profit or loss.

w. Foreign operations

The assets and liabilities of foreign operations are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transaction or an average rate if the average rate approximates the actual rate at the date of the transaction.

In accordance with Ind AS 101, the Company has elected to deem foreign currency translation differences that arose prior to the date of transition to Ind AS, i.e. April 1, 2016, in respect of all foreign operations to be nil at the date of transition. From April 1, 2016 onwards, such exchange differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation)

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

(Rupees in lakh)

Particulars	Freehold land	Buildings	Plant and equipment	Furniture and fittings	Office equipment	Vehicles	Total	Capital work-in-progress
Gross carrying value at cost								
As at April 01, 2020	506.15	1,377.35	9,688.94	34.85	108.94	285.30	12,001.53	7.25
Add: Additions made during the year	-	-	0.52	-	-	-	0.52	-
Less: Disposals / adjustments during the year	-	(21.43)	(4.71)	(0.14)	(2.91)	(52.37)	(81.57)	-
As at March 31, 2021	506.15	1,355.92	9,684.75	34.71	106.03	232.93	11,920.48	7.25
Add: Additions made during the year	-	17.16	0.34	-	-	-	17.50	-
Less: Disposals / adjustments during the year	-	(94.83)	(4.35)	(4.29)	(7.04)	(123.48)	(233.98)	(7.25)
As at March 31, 2022	506.15	1,278.25	9,680.74	30.42	98.99	109.45	11,704.00	-
Accumulated depreciation								
As at April 01, 2020	-	163.04	5,733.81	14.99	63.27	159.84	6,134.94	-
Add: Depreciation expense for the year	-	45.47	738.11	4.38	12.04	38.79	838.79	-
Less: On disposals / adjustments during the year	-	(2.11)	(4.03)	(0.01)	(1.54)	(36.10)	(43.79)	-
As at March 31, 2021	-	206.40	6,467.89	19.36	73.77	162.53	6,929.94	-
Add: Depreciation expense for the year	-	46.24	675.65	3.69	9.37	17.00	751.95	-
Less: On disposals / adjustments during the year	-	(8.39)	(3.57)	(3.60)	(5.94)	(100.14)	(121.64)	-
As at March 31, 2022	-	244.25	7,139.97	19.45	77.20	79.39	7,560.26	-
Net carrying value								
As at March 31, 2022	506.15	1,034.00	2,540.77	10.97	21.79	30.06	4,143.74	-
As at March 31, 2021	506.15	1,149.52	3,216.86	15.35	32.26	70.40	4,990.54	7.25

Notes:-

- (i) Refer note 18, 19 and 21 for information on property, plant and equipments hypothecated/mortgaged as security by the Company.
- (ii) Building having carrying value of Rs. 362.99 lakh (March 31, 2021: Rs. 345.83 lakh) is not to be registered in the name of the Company details as below:

Description of Property	Gross carrying value	Net carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company
Building	362.99 lakh	339.19 lakh	Purearth infrastructure Limited	Joint Venture of the Company	From 2019 onwards	Due to liquidity issue. The matter is in process.

- (iii) Refer note 41 (a) for disclosure of capital commitments for the acquisition of property, plant and equipment.

CWIP ageing schedule

(Rupees in lakh)

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress					
As at March 31, 2022	-	-	-	-	-
As at March 31, 2021	-	-	7.25	-	7.25

As on the date of the balance sheet, there are no capital work-in-progress projects Whose completion is overdue or has exceeded the cost, based on approved plan.

4. Intangible assets and right of use assets

(Rupees in lakh)

Particulars	Software	Right of use assets	Total
Gross carrying value at cost			
As at April 01, 2020	129.44	29.98	159.42
Add: Additions during the year	-	-	-
Less: Disposals / adjustments during the year	-	(29.98)	(29.98)
As at March 31, 2021	129.44	-	129.44
Add: Additions during the year	-	-	-
Less: Disposals / adjustments during the year	(0.05)	-	(0.05)
As at March 31, 2022	129.39	-	129.39
Accumulated amortisation/depreciation			
As at April 01, 2020	95.89	9.99	105.88
Add: Amortisation/depreciation expense for the year	15.94	1.98	17.92
Less: On disposals/adjustments during the year	-	(11.97)	(11.97)
As at March 31, 2021	111.83	-	111.83
Add: Amortisation/depreciation expense for the year	10.16	-	10.16
Less: On disposals/adjustments during the year	(0.06)	-	(0.06)
As at March 31, 2022	121.93	-	121.93
Net carrying value			
As at March 31, 2022	7.46	-	7.46
As at March 31, 2021	17.61	-	17.61

* Ind AS 116 Disclosure

The right of use of assets during the previous year (s) represent the Company's lease assets primarily consisted of leases for land and buildings for offices and warehouses having various lease terms . The Company also has certain leases with lease term of 12 months or less. The Company applies the short-term lease recognition exemption for these leases.

Set out below are the carrying amounts of lease liabilities and the movements thereof:

(Rupees in lakh)

	As at March 31, 2022	As at March 31, 2021
Opening balance	-	21.72
Accretion of interest	-	0.59
Deletions	-	(21.06)
Payments	-	(1.25)
Closing Balance	-	-
Current	-	-
Non-current	-	-

The following are the amounts recognised in the statement of profit and loss:

(Rupees in lakh)

Leases under Ind AS 116	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation expense of right of use assets	-	1.98
Interest expense on lease liabilities	-	0.59
Expense relating to leases of short-term / low value assets (included in other expenses)	-	-
Total amount recognised in statement of profit and loss	-	2.57

Amounts recognised in statement of cash flows:

Right of use assets separate disclosure	For the year ended March 31, 2022	For the year ended March 31, 2021
Financing activities		
Repayment of principal	-	21.72
Repayment of interest	-	0.59
Operating activities		
Short term / low value assets lease payment	-	-
Total cash outflow for leases	-	22.31

5. Investments - Non-current

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment in equity instruments (fully Paid up)		
Subsidiary Companies/Joint Venture Company measured at cost		
Unquoted		
(a) In wholly owned subsidiaries measured at cost		
DCM Landmark Estates Limited (Formerly known as DCM Textiles Limited) 50,000 (March 31, 2021: 50,000) equity shares of face value of Rs. 10 each	5.00	5.00
DCM Infinity Realtors Limited (Formerly known as DCM Data Systems Limited) 50,000 (March 31, 2021: 50,000) equity shares of face value of Rs. 10 each	5.00	5.00
DCM Finance & Leasing Limited @ NIL (March 31, 2021: 49,996 equity shares of face value of Rs. 10 each	-	5.00
DCM Infotech Limited (Formerly known as DCM Realty Investment & Consulting Limited) 2,550,020 (March 31, 2021: 2,550,020) equity shares of face value of Rs. 10 each	255.00	255.00
DCM Engineering Limited (Formerly DCM Tools & Dies Limited) 50,000 (March 31, 2021: 50,000) equity shares of face value of Rs. 10 each	5.00	5.00
DCM Realty and Infrastructure Limited 50,000 (March 31, 2021: 50,000) equity shares of face value of Rs. 10 each	5.00	5.00
Less: Aggregate amount of provision for Impairment in value of Investments	(15.00)	(20.00)
Subtotal	260.00	260.00
(b) In Joint venture company measured at cost		
Purearth Infrastructure Limited # 1,78,53,605 (March 31, 2021: 1,78,53,605) equity shares of face value of Rs. 10 each	2,986.18	2,986.18
Subtotal	2,986.18	2,986.18
Total Non-Current Investments (a+b)	3,246.18	3,246.18
Aggregate carrying value of unquoted investments	3,246.18	3,246.18
Aggregate amount of provision for impairment in value of Investments	15.00	20.00

@ The Company is in the process for strike off the name of its subsidiary namely DCM Finance and Leasing Limited.

In terms of SORA (refer note 38), the Company will not dispose of its shareholding in Purearth Infrastructure Limited until the completion of the land development project at Bara Hindu Rao/ Kishan Ganj, Delhi.

Notes to the Standalone financial statements for the year ended March 31, 2022 continued

6. Other financial assets - Non-current **(Rupees in lakh)**

Particulars	As at March 31, 2022	As at March 31, 2021
<i>(Unsecured, considered good)</i>		
Security deposits for utilities	180.33	180.31
Total	180.33	180.31

The Company's exposure to credit and currency risks, and loss allowance related to non-current financial assets are disclosed in **Note 46**.

7. Non-current tax assets (net) **(Rupees in lakh)**

Particulars	As at March 31, 2022	As at March 31, 2021
Advance income tax (net of provision)	396.79	364.71
Total	396.79	364.71

8. Other non-current assets **(Rupees in lakh)**

Particulars	As at March 31, 2022	As at March 31, 2021
<i>(Unsecured, considered good)</i>		
Capital advances		
To related party (Refer note 43)	9.00	149.68
Others (Refer note 40)	420.00	424.63
Balances with government authorities	135.03	122.77
Other advances		
To related party (Refer note 43)	179.89	179.89
Others	3.81	4.19
<i>Considered doubtful</i>		
Other advances	502.18	502.18
	1,249.91	1,383.34
Less: Loss allowance for doubtful advances	502.18	502.18
Total	747.73	881.16

9. Inventories **(Rupees in lakh)**

Particulars	As at March 31, 2022	As at March 31, 2021
<i>(Valued at cost or net realisable value, whichever is lower)</i>		
Raw materials	153.95	153.95
Work-in-progress	26.47	67.13
Stores and spares	878.55	1,093.38
Total	1,058.97	1,314.46

(i) **Refer note 18 and 21** for information of inventory pledged/ hypothecated as security by the Company

Notes to the Standalone financial statements for the year ended March 31, 2022 continued

10. Trade receivables

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<i>(Unsecured)</i>		
Considered good	13.89	17.19
Considered doubtful	-	47.64
	<u>13.89</u>	<u>64.83</u>
Less : Allowance for doubtful trade receivables	-	47.64
Total	<u>13.89</u>	<u>17.19</u>

Trade receivable ageing schedule

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022						
(i) Undisputed Trade receivables-Considered Good	-	-	-	13.89	-	13.89
(ii) Undisputed Trade receivables which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables -credit impaired	-	-	-	-	-	-
Total	-	-	-	13.89	-	13.89
Less: Allowance for doubtful trade receivables	-	-	-	-	-	-
Total	-	-	-	13.89	-	13.89
As at March 31, 2021						
(i) Undisputed Trade receivables-Considered Good	-	-	17.19	-	-	17.19
(ii) Undisputed Trade receivables which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables -credit impaired	-	-	47.64	-	-	47.64
Total	-	-	64.83	-	-	64.83
Less: Allowance for doubtful trade receivables	-	-	47.64	-	-	47.64
Total	-	-	17.19	-	-	17.19

The Company's exposure to liquidity risks are disclosed in note 46.

11. Cash and cash equivalents

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks		
- In current accounts	20.79	26.07
Cash on hand	0.26	1.68
Total	<u>21.05</u>	<u>27.75</u>

12. Bank balances other than cash and cash equivalents above (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Unclaimed dividend		
Bank deposits with maturity between 3 to 12 months *	84.58	129.38
Total	103.48	166.96

* Bank Deposits includes margin money deposits with bank/earmarked for specific use

The Company's exposure to credit risk, liquidity risks and currency risk are disclosed in **note 46**.

13. Loans - Current (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<i>(Unsecured, considered good)</i>		
Loans to employees	17.05	22.38
Total	17.05	22.38

No loans are due by directors or other officers of the Company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or director or a member.

The Company's exposure to credit and currency risks, and loss allowance related to current financial assets are disclosed in **Note 46**.

14. Other financial assets - Current (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<i>(Unsecured, considered good)</i>		
Interest receivable on fixed deposits	0.07	1.76
Interest receivable on security deposit	28.68	28.68
Finance lease receivable (refer note 36)	-	5.23
Other receivable		
- From Related party (refer note 43)	365.03	7.75
- From others on sale of rights in flats	242.67	-
Total	636.45	43.42

The Company's exposure to credit and currency risks, and loss allowance related to current financial assets are disclosed in **Note 46**.

Notes to the Standalone financial statements for the year ended March 31, 2022 continued

15. Other current assets (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<i>(Unsecured, considered good)</i>		
Advance to related party (Refer note 43)	-	1,487.74
Advances to suppliers	6.65	11.03
Prepaid expenses	12.11	18.95
Balance with statutory/government authorities	125.55	106.29
Other receivables	0.62	0.62
Total	144.93	1,624.63

16. Equity share capital (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Authorised		
6,39,99,000 (March 31, 2021: 6,39,99,000) equity shares of Rs. 10 each	6,399.90	6,399.90
100 (March 31, 2021: 100) 13.5% redeemable cumulative preference shares of Rs. 100 each	0.10	0.10
3,20,000 (March 31, 2021: 3,20,000) 6th cumulative redeemable cumulative preference shares of Rs. 25 each	80.00	80.00
36,80,000 (March 31, 2021: 36,80,000) preference shares of Rs. 25 each	920.00	920.00
10,00,000 (March 31, 2021: 10,00,000) cumulative preference shares of Rs. 100 each	1,000.00	1,000.00
	8,400.00	8,400.00
b) Issued, subscribed and fully paid-up		
1,86,77,749 (March 31, 2021: 1,86,77,749) equity shares of Rs. 10 each fully paid-up	1,867.77	1,867.77
	1,867.77	1,867.77

c) Reconciliation of the number of shares outstanding and the amount of equity share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Balance as at the beginning of the year	1,86,77,749	1,867.77	1,86,77,749	1,867.77
Add: Shares issued during the year	-	-	-	-
Balance at the end of the year	1,86,77,749	1,867.77	1,86,77,749	1,867.77

d) Terms, rights, preferences and restrictions attached to equity shares:

The Company has issued one class of equity shares having at par value of Rs. 10 each per share. Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Company. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of shares held by shareholder.

e) Details of shareholders holding more than 5% of equity shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% of holding	Number of shares	% of holding
Mr. Sumant Bharat Ram	90,56,932	48.49%	90,56,932	48.49%
Mr. Ved Prakash Agarwal	16,42,905	8.80%	-	-
Life Insurance Corporation of India	11,22,202	6.01%	11,32,850	6.07%

(f) In the period of five years immediately preceeding March 31, 2022

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

The Company had allotted 12,98,712 equity shares during the financial year ended March 31, 2017 pursuant to the scheme of amalgamation of DCM Engineering Limited with the Company to the shareholders of DCM Engineering Limited without any consideration being received in cash.

(ii) Calls in arrears of Rs. 0.31 lakh written off during the financial year ended March 31, 2020 due to implementation of Scheme of Arrangement of demerger of DCM Nouvelle Limited as part of the Scheme.

g) Details of Promoters' Shareholding and changes during the year

Promoter Name	As at March 31, 2022		As at March 31, 2021		% change during the year
	Number of shares	% of holding	Number of shares	% of holding	
Mr. Sumant Bharat Ram	90,56,932	48.49%	90,56,932	48.49%	NIL
Mr. Yuv Bharat Ram	4,800	0.03%	4,800	0.03%	NIL
Mr. Rahil Bharat Ram	4,852	0.03%	4,852	0.03%	NIL
Mr. Hemant Bharat Ram	50	0.00%	50	0.00%	NIL

17. Other equity

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium	1,061.19	1,061.19
Capital reserve	25.40	25.40
Capital redemption reserve	130.10	130.10
Retained Earnings	(1,742.66)	(3,596.84)
Total	(525.97)	(2,380.14)

Refer Statement of changes in other equity for movement during the year

Nature and purpose of reserve:

(a) Capital redemption reserve

Capital redemption reserve was created on account of buyback of shares as per the requirements of Companies Act, 1956.

Notes to the Standalone financial statements for the year ended March 31, 2022 continued

(b) **Securities Premium**

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

(c) **Capital reserve**

Capital reserve pertains to government grants received in earlier years for Plant and equipment for the Textile Business of the Company. The assets against the said grant have been fully depreciated.

(d) **Retained Earnings**

Retained Earnings are the profit/(loss) that the Company has earned till date, less, any transfer to general reserve, any transfer from or to other comprehensive income, dividend or other distribution paid to shareholders.

18. **Borrowings - Non-current**

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
Term loans		
From banks	377.99	601.06
	377.99	601.06
Less: Current maturities of non-current borrowings	377.99	591.17
Total	-	9.89

Change in liability arising from financing activities for the year ended March 31, 2022

Particulars	As at April 01, 2021	Repayment	Fair value changes	As at March 31, 2022
Long Term Borrowings (including Current portion)	601.06	(223.07)	-	377.99

Change in liability arising from financing activities for the year ended March 31, 2021

Particulars	As at April 01, 2020	Repayment	Fair value changes	As at March 31, 2021
Long Term Borrowings (including Current portion)	618.47	(17.41)	-	601.06

Repayment terms and security disclosure for the outstanding borrowings (refer note 39):

Secured :-

From banks:

- (a) Rs. Nil (March 31, 2021: Rs. 184.28 lakh) secured by way of first pari passu charge on the Property, Plant and equipment of the Engineering division, both present and future, including equitable mortgage of Engineering division's factory land and building measuring 71 Acre- 07K-18M and second pari passu charge on the entire current assets of the division, both present and future. The said term loan of Rs. 184.28 lakh availed from State Bank of India carrying a floating interest rate ranging between 11.75%- 13.00% per annum has been settled under one time settlement scheme of SBI during the financial year ended March 31, 2022.
- (b) Rs. 200.00 lakh (March 31, 2021: Rs. 200.00 lakh) secured by way of first pari passu charge on the Property, plant and equipment of the Company's Engineering division, both present and future, including equitable mortgage of Engineering division's factory land and building measuring 71 Acre- 07K-18M and second pari passu charge on the entire current assets of the Company, both present and future. The said term loan availed from ICICI Bank Ltd. carries a floating interest rate 10.80% -12.35% per annum. The repayment of instalment aggregating to Rs. 200.00 lakh (March 31, 2021: Rs. 200.00 lakh) and interest of Rs. 91.11 lakh (March 31, 2021: Rs.46.27 lakh) remained in default as on March 31, 2022 pertaining to the period from January 19, 2020 to March 31, 2022.

Notes to the Standalone financial statements for the year ended March 31, 2022 continued

- (c) Rs. 177.43 lakh (March 31, 2021: Rs. 177.43 lakh) secured by way of first pari passu charge on the Property, plant and equipment (including immovable assets) of the Engineering Division and second pari passu charge on the entire stock of raw material, work-in-progress, semi-finished and finished goods, consumable stores & spares and such other movables including book debts, bills, whether documentary or clean, both present & future. The term loan availed from HDFC Bank Ltd. carries a floating interest rate @ 11.80% per annum and is repayable in 33 monthly instalments. The repayment of instalment aggregating to Rs. 140 lakh (March 31, 2021: Rs.20.00 lakh) and interest of Rs 48.10 lakh (March 31, 2021: Rs.6.20 lakh) remained in default as on March 31, 2022 pertaining to the period from February 01, 2021 to March 31, 2022.
- (d) Rs. 0.56 lakh (March 31, 2021: Rs. 39.35 lakh) relate to assets purchased under hire purchase/financing arrangements with banks and are secured by way of hypothecation of the specified assets. Repayable in equal monthly instalments. The loans are availed from banking and financial institutions and carry an interest rate ranging between 8.50%-10.50% per annum. There is no continuing default as on the balance sheet date in repayment of loans and interest thereon in respect of these loans.

The Company's exposure to interest, currency and liquidity risks related to financial liabilities is disclosed in **Note 46**.

19. Other financial liabilities - Non-current **(Rupees in lakh)**

Particulars	As at March 31, 2022	As at March 31, 2021
Other deposits	0.73	0.73
Other Liabilities		
- Payable to related party (including interest) (Refer note 43) *	1,915.62	1,477.35
- Payable to others	527.44	527.44
Total	2,443.79	2,005.52

* During the previous year ended March 31, 2021, the Company has entered into agreement(s) for purchase of residential units in the project "Amaryllis" being developed by Purearth Infrastructure Limited (Joint Controlled Entity) under joint development agreement with Basant Projects Limited. Payment for the purchase of residential units along with interest is to be made on deferred basis within the period of three years from the date of the allotment of residential units. The arrangement carries interest ranging between 9.25% - 10.50% per annum and is secured by equitable mortgage of 43.65 acres of Company's land situated near Mela Ground Hissar - 125001, Haryana, India.

The Company's exposure to interest, currency and liquidity risks related to financial liabilities is disclosed in **Note 46**.

20. Provisions - Non-current **(Rupees in lakh)**

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
Gratuity (Refer note 42)	615.67	698.18
Compensated absences	75.09	88.69
Total	690.76	786.87

21. Borrowings - Current **(Rupees in lakh)**

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
Loans repayable on demand from banks	1,948.68	2,516.27
Current maturities of non-current secured borrowings from banks (refer note 18)	377.99	591.17
Total	2,326.67	3,107.44

Change in liability arising from financing activities for the year ended March 31, 2022

Particulars	As at April 01, 2021	Repayment / adjustment	Interest	Fair value changes	As at March 31, 2022
Loans repayable on demand	2,516.27	(849.94)	282.35	-	1,948.68
Total	2,516.27	(849.94)	282.35	-	1,948.68

Change in liability arising from financing activities for the year ended March 31, 2021

Particulars	As at April 01, 2020	Repayment / adjustment	Interest	Fair value changes	As at March 31, 2021
Loans repayable on demand	2,239.00	-	277.27	-	2,516.27
Total	2,239.00	-	277.27	-	2,516.27

Security against loans repayable on demand

- (i) Cash credit and working capital demand loans facilities from SBI and ICICI Bank aggregating to Rs. 688.68 lakh (March 31, 2021: Rs. 1457.67 lakh) relating to the Company's Engineering division from banks are secured by way of:
- Hypothecation of entire stocks of raw material, work in process, semi-finished goods and finished goods, consumable stores and spares and such other movables including book debts, bills, whether documentary or clean, both present and future
 - Charge on all property, plant and equipment assets, both present and future, including mortgage of factory's land and building located at village Asron, Hadbast No. 418, Tehsil Balachaur District Hoshiarpur, Punjab, measuring 71 Acre- 07K-18M together with all buildings, plant and equipment, erections, godowns and constructions of every description which are standing, erected or attached or shall at any time hereafter during the continuance of the security hereby constituted be erected or attached and standing or attached thereto.
 - The above cash credit facility availed from State Bank of India and ICICI bank, and was overdrawn by Rs. 465.02 lakh (March 31, 2021: Rs.713.79) (including interest) as on balance sheet date. The above account is overdrawn since September 2019.
 - The above cash credit facility availed from SBI amounting to Rs. 849.94 lakh as on April 01, 2021 has been settled under one time settlement scheme of SBI during the financial year ended March 31, 2022.
- (ii) Overdraft facility of Rs. 1260.00 lakh (March 31, 2021: Rs. 1058.60 lakh), availed from HDFC bank, relating to the Company's Engineering division from a bank are secured by way of:
- Land and building located in Kodukanthangal Village and Serkadu Village, Katpadi Sub-Registration District, Vellore Registration District, Vellore District, Tamil Nadu admeasuring 39.02 acres (March 31 2021: 39.02 acre) and land and building located in Rail Mazra Village, Tehsil Balachaur, District Shaheed Bhagat Singh Nagar, Punjab measuring 3.67 acres. (March 31 2021: 3.67 acre) (refer note 44).
 - The above overdraft facility was overdrawn by Rs.260.00 Lakh (March 31, 2021: Rs.58.60 Lakh) (including interest) as on balance sheet date. The above account is overdrawn since December 2020.
- (iii) The above finance facilities carries interest rate ranging between 11.75% - 12.20%

The Company's exposure to interest, currency and liquidity risks related to financial liabilities is disclosed in **Note 46**.

22. Trade payables - Current

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Dues to micro and small enterprises**	45.24	2,425.36
Dues to others	724.71	3,438.58
	<u>769.95</u>	<u>5,863.94</u>

Notes to the Standalone financial statements for the year ended March 31, 2022 continued

Trade payables ageing schedule

(Rupees in lakh)

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022					
(i) MSME	2.19	-	6.20	5.57	13.96
(ii) Others	58.44	8.26	581.83	76.18	724.71
(iii) Disputed dues-MSME	-	-	12.32	18.96	31.28
Total	60.63	8.26	600.35	100.71	769.95
As at March 31, 2021					
(i) MSME	-	1,268.40	378.66	2.53	1,649.59
(ii) Others	23.41	1,294.25	209.05	29.32	1,556.03
(iii) Disputed dues-MSME	-	592.09	183.68	-	775.77
(iv) Disputed dues-Others	15.67	1,766.76	97.74	2.38	1,882.55
Total	39.08	4,921.50	869.13	34.23	5,863.94

The Company's exposure to currency and liquidity risks related to financial liabilities is disclosed in **Note 46**.

**** Due to Micro, Small and Medium Enterprises:**

(Rupees in lakh)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
(a) The principal amount remaining unpaid to any supplier as at the end of each accounting year	30.11	1758.98
(b) The interest due thereon remaining unpaid to any supplier as at the end of each accounting year	15.13	666.38
(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 amount of the payments made to the 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 and	15.13	666.38
(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 Section 23 of the Micro Small and Medium Enterprises Development Act, 2006.	15.13	666.38

23. Other financial liabilities - Current (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Unclaimed dividends*	18.90	37.58
Unclaimed matured debentures and interest accrued thereon *	2.65	2.65
Interest accrued and due on borrowings	175.89	215.56
Interest accrued but not due on borrowings	0.13	0.23
Employee related payable	1,169.38	1,012.01
Earnest Money	1,500.00	-
Other payable		
- to Related Party (Refer note 43)	42.12	42.12
- to others	16.37	16.28
Total	2,925.44	1,326.43

* There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2022 in view of Scheme of restructuring and arrangement (SORA), pursuant to which certain past dues have been rescheduled for payment.

The Company's exposure to currency and liquidity risks related to financial liabilities is disclosed in Note 46.

24. Other liabilities - Current (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance from customers	21.74	21.74
Statutory dues payables	24.70	4.29
Other payables	263.39	286.09
Total	309.83	312.12

25. Provisions - Current (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
- Gratuity (Refer note 42)	106.16	108.25
- Compensated absences	8.70	7.46
Total	114.86	115.71

26. Current tax liabilities (net) (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for income tax (net of advance tax)	-	94.05
Total	-	94.05

27. Revenue from operations (Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of products		
Manufactured goods		
Iron castings	(3.97)	(105.69)
Other operating revenue		
Scrap sales	114.12	156.17
Total	<u>110.15</u>	<u>50.48</u>

(Rupees in lakh)

Contract Balances	As at March 31, 2022	As at March 31, 2021
Contract Assets		
Trade receivable	13.89	17.19
Contract Liability		
Advance from Customer	21.74	21.74

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

(Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Contracted price	110.15	50.48
Reductions towards variable consideration components	-	-
Revenue recognised	<u>110.15</u>	<u>50.48</u>

28. Other income

(Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income on financial assets at amortised cost		
- Deposits with bank	4.26	-
- Other interest income #	-	50.50
Dividend income from equity investment measured at cost	45.90	46.28
Profit on sale of property, plant and equipment (net)	2.66	13.90
Income from transfer of rights in flats	1,443.09	-
Gain on extinguishment of rights of use asset	-	3.05
Liabilities/provisions no longer required written back	2,102.64	340.47
Finance lease income	0.23	6.64
Miscellaneous income *	0.47	19.77
Total	<u>3,599.25</u>	<u>480.61</u>

* include transactions with related party (refer Note No.43)

includes interest received on income tax refund Rs. Nil (March 31, 2021: Rs.36.15 lakh)

Notes to the Standalone financial statements for the year ended March 31, 2022 continued

29. Cost of material consumed (Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock	153.95	154.82
Add: Adjustment	-	(28.86)
	<u>153.95</u>	<u>125.96</u>
Less: Closing stock	153.95	153.95
	<u>-</u>	<u>(27.99)</u>

30. Changes in inventories of finished goods and work-in-progress (Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<u>Inventories at the end of the year:</u>		
Finished goods	-	-
Work-in-progress	26.47	67.13
Total	<u>26.47</u>	<u>67.13</u>
<u>Inventories at the beginning of the year:</u>		
Finished goods	-	-
Work-in-progress	67.13	91.90
Total	<u>67.13</u>	<u>91.90</u>
Net (increase)/decrease	<u>40.66</u>	<u>24.77</u>

31. Employee benefits expense (Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, bonus and other allowances	68.59	280.31
Contribution to provident and other funds	5.80	12.71
Gratuity expense (refer note 42)	92.08	105.74
Staff welfare expenses	1.35	3.23
Total	<u>167.82</u>	<u>401.99</u>

32. Finance costs (Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest expense on :		
- Borrowings	578.66	856.06
- Lease Liabilities (refer note 4)	-	0.59
- Others	0.75	-
Other borrowing costs	0.01	0.06
Total	<u>579.42</u>	<u>856.71</u>

33. Depreciation and amortisation expense **(Rupees in lakh)**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment	751.95	838.79
Amortisation of intangible assets	10.16	15.94
Depreciation of right of use asset (refer note 4)	-	1.98
Total	<u>762.11</u>	<u>856.71</u>

34. Other expenses **(Rupees in lakh)**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Power, fuel, etc.	14.88	22.64
Repair and maintenance		
- Buildings	10.37	5.97
- Machinery	-	3.46
- others	27.75	42.71
Insurance	25.44	27.90
Security Charges	40.21	44.89
Rates and taxes	3.41	5.81
Directors' fees	10.65	2.20
Legal and professional fees (refer note (i) below)	25.10	67.71
Travelling and conveyance	7.95	15.46
Allowance for bad trade and other receivables, loans and advances	9.85	16.51
Bad trade and other receivables, loans and advances written off	48.02	47.64
Less: Provision already held	<u>(47.64)</u>	<u>(2.35)</u>
Loss on finance lease written off	1.49	53.43
Inventory store and spares written off	212.07	-
Loss on discard of CWIP	7.25	-
Provision for Impairment in value of Investment	-	20.00
Miscellaneous expenses	19.88	41.62
Total	<u>416.68</u>	<u>415.60</u>
(i) Includes auditors remuneration (excluding taxes)		
For audit fee and limited review	10.00	10.00
Total	<u>10.00</u>	<u>10.00</u>

35. Tax expense

(Rupees in lakh)

(a) Income tax expenses in the Statement of Profit and loss consists of:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current income tax	-	-
Tax adjustment relating to prior years	(35.48)	-
Deferred tax	-	-
Income tax expense recognised in the Statement of Profit and loss	(35.48)	-

(b) Income tax expense recognised in other comprehensive income/(expense)

(Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current tax arising on income and expense recognised in other comprehensive income	-	-
Remeasurements of defined benefit obligations	-	-
	-	-

(c) The reconciliation between the provision of income tax of the Company and the amount computed by applying the statutory income tax rate to profit before tax is as follows:

(Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit/(Loss) before tax	1,742.71	(1,996.70)
Applicable income tax rate (in %)	31.20%	29.12%
Computed expected tax expense	543.72	(581.44)
Effect of: pending		
Expenses (net) that are not deductible in determining taxable profit	(25.55)	-
Unrecognised tax asset	(518.17)	581.44
Tax adjustment relating to prior years	(35.48)	-
Tax as per books	(35.48)	-

(d) Unrecognised tax asset

As at March 31, 2022, the Company has unabsorbed depreciation and business losses under the provisions of the Income-tax Act, 1961. Consequent to the provisions of Ind AS 12 - "Income Taxes", in the absence of reasonable certainty of taxable profits in future years, deferred tax assets have been recognised only to the extent of deferred tax liability. The Company reassesses the unrecognised deferred tax assets at each reporting period and recognise the deferred tax assets over its deferred tax liability when it has become probable that future taxable profits will allow the deferred tax assets to be recovered

Deferred tax assets and liabilities are attributable to the following:

Deferred tax assets	(Rupees in lakh)	
Particulars	As at March 31, 2022	As at March 31, 2021
Property, plant and equipment	55.84	-
Provision for gratuity and compensated absences	281.52	315.40
Unabsorbed depreciation	3,759.99	3,765.98
Business loss	101.00	1,084.52
Provision for trade receivables and other advances	3.57	15.83
Deferred tax assets	4,201.92	5,181.73

Deferred tax (liabilities)		(Rupees in lakh)	
Particulars	As at March 31, 2022	As at March 31, 2021	As at March 31, 2021
Property, plant and equipment	-	-	16.99
Deferred tax liabilities	-	-	16.99

(e) Tax losses for which no deferred tax asset was recognised expires as follows:

	As at March 31, 2022		As at March 31, 2021	
	Amount	Expiry Year	Amount	Expiry Year
Business Loss	289.06	A.Y. 2028-29	1616.67	A.Y. 2027-28
			290.54	A.Y. 2028-29
Unabsorbed depreciation *	10761.26	-	9998.38	-

MAT credit for which no MAT credit entitlement recognised expires as follows:

	As at March 31, 2022		As at March 31, 2021	
	Amount	Expiry Year	Amount	Expiry Year
	120.79	2025-26	120.79	2025-26
	419.47	2026-27	419.47	2026-27
	8.22	2027-28	8.22	2027-28
	18.77	2029-30	18.77	2029-30
	31.56	2034-35	31.56	2034-35

* available for set off against any other income and can be carried forward for indefinite period as per Income Tax Act, 1961

36. Leases

Finance leases

A. Leases as a lessor

The Company has classified the arrangement with the customers wherein the patterns/tooling/moulds are lease out in the nature of lease based on the principles enunciated in relevant standard and accounted for as finance lease in accordance with those principles.

The agreement with the customers is for a period of 3 to 15 years.

	(Rupees in lakh)			
	As at March 31, 2022		As at March 31, 2021	
	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
Not later than one year	-	-	5.53	5.23
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
Total minimum lease payments	-	-	5.53	5.23
Less: amounts representing unearned finance income	-	-	0.30	-
Present value of minimum lease payments	-	-	5.23	5.23

37. Earnings per share

(Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net profit/(loss) attributable to equity shareholders (Rs. In lakh)	1,778.19	(1,996.70)
Weighted average number of equity shares in calculating Basic EPS	1,86,77,749	1,86,77,749
Weighted average number of equity shares in calculating Diluted EPS	1,86,77,749	1,86,77,749
Basic and Diluted earnings per share in rupees (Rs.) (face value per equity share Rs. 10 each)	9.52	(10.69)

38. Restructuring

After considering the effect of Scheme of Restructuring and Arrangement approved by the Delhi High Court vide its order dated October 29, 2003 under section 391-394 of the Companies Act, 1956 (Act) and subsequent modification thereto vide Delhi High Court order dated April 28, 2011 (hereinafter referred to as SORA), the Company had complied with the debt repayment obligations including in respect of debentures, deposits, loans and related interest and where such amount has not been claimed by the concerned party, deposited an equivalent amount into a 'No Lien /Designated Account' with scheduled banks. Aggregate of amount so deposited as at the year-end is Rs. 2.65 lakh (March 31, 2021: Rs. 2.65 lakh). All unclaimed fixed deposits, debentures, or interest thereon have already been transferred to the Investor Education and protection Fund (IEPF) established by the Central Govt.

39. Amalgamation and demerger Scheme

Board of Directors of the Company in its meeting held on November 28, 2019 have approved a composite scheme of arrangement for transfer of its "Engineering Business undertaking" to its wholly owned subsidiary namely DCM Engineering Limited (formerly known as DCM Tools and Dies Limited), on a going concern basis with effect from the appointed date of October 01, 2019 and restructuring of outstanding loans, debts and liabilities of the Engineering Business Undertaking. The filing of Scheme for seeking approval from Hon'ble National Company Law Tribunal (NCLT) under Section 230 – 232 of the Companies Act, 2013 remained pending awaiting in principle approval of secured lenders (Banks). The Company has been taking necessary steps for the settlement/restructuring of dues of these secured lender(s).

The Company has received certain recovery notices/petitions from the creditors and the bankers who have provided working capital/terms loan facilities to the Engineering Division of the Company. A Bank has filed a suit for recovery and served demand notice u/s 13(2) under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) which has been duly replied. The other two bankers have agreed with the Company for one time settlement (OTS) of their dues. The Company has repaid the OTS dues of one of the bankers and is in process to comply with the terms of OTS agreed with the other banker.

The banking operation of current account(s) maintained by the Company has been discontinued by the Bankers in view of notification of RBI restricting opening/operation of current account by customers who have availed Cash Credit / Overdraft facilities. The Company has been taking necessary steps in this regard. This has adversely impacted the ability of the Company to run its day-to-day operations as its cash credit/overdraft accounts are classified as NPA. In view of above, as an interim measure, the day-to-day banking transaction of payment for statutory dues/overheads and/or other critical payments and also the receipts are facilitated by the Company through its one of the wholly owned subsidiary.

Pursuant to the restructuring scheme approved by the Board of the Company, the settlement of all such creditors and bank has already been provided for in the said Scheme. In addition to the said Restructuring Scheme mentioned above, the Company is in process for development of its 68.35 acres of land at Hissar and signed a non-binding Term-Sheet with a party which is subject to signing of definitive agreement (s) and fulfillment of other terms and conditions as on 31st March, 2022. The Company is also taking interim measures to improve liquidity including proposed Right Issue of equity shares approved by the Board in its meeting held on February 12, 2021, to augment capital and expedite to complete the de-leveraging of the Company.

Since, the aforesaid Scheme is subject to approval from concerned regulatory authorities which is considered to be substantive, the accounting effect of the above Scheme has not been considered in these standalone financial results.

40. Capital advances includes Rs. 420.00 lakh (March 31, 2021: Rs. 420.00 lakh) to acquire certain property under construction at New Delhi. The construction was a matter of litigation between the builder and the local authorities. The High Court of Delhi has allowed the builder to construct the property subject to certain conditions. During the financial year 2019-20, Company had received back advance of Rs. 450.00 lakh as decided in the arbitration proceedings and the management is fully confident that the remaining balance paid to acquire the property is good and fully recoverable.

41. Contingent liabilities, contingent assets and commitments

a) Commitments

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital commitments	-	25.08

b) Contingent liabilities not provided for:

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Claims not acknowledged as debts: *		
- Excise claims	0.50	0.50
- Sales tax matters/ VAT	618.03	618.03
- Income-tax matters	544.67	644.37
- Employees' claims (to the extent ascertained)	64.70	64.70
- Others	63.95	63.95

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

(i) There are no undisputed dues of wealth tax and service tax which have not been deposited by the Company. The details of disputed dues as of March 31, 2022 in respect of customs duty, income tax, excise duty and sales tax/ PVAT that have not been deposited by the Company, are as follows:

Name of the statute	Nature of dues	Amount Involved * (Rs. in lakh)	Amount paid under protest (Rs. in lakh)	Period to which amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty	0.50	-	2002-03, 2003-04	Supreme court
Punjab VAT Act, 2005	Sales tax	218.17	15.50	Financial Year 2012-13	Punjab VAT Appellate Tribunal
		146.96	36.75	Financial Year 2011-12	
		130.25	35.09	Financial Year 2010-11	
		122.65	12.27	Financial Year 2013-14	Deputy Commissioner (Appeals)

* amount as per demand orders including interest and penalty wherever indicated in the demand.

For the above purposes, statutory dues payable in India have been considered. Further, the demands raised and already set off by the Income-tax Authorities against the carried forward losses of the Company, being no longer due for payment, have not been considered.

(ii) The following matters have been decided in favour of the Company, although the concerned regulatory authority has preferred an appeal at a higher level:

Name of the statute	Nature of dues	Amount involved (Rs. in lakh)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	442.48	Financial Year 1982-83 to 1989-90	ITAT refer back to AO
		66.08	Financial Year 2011-12	High court
		36.11	Financial Year 2015-16	Income tax appellate tribunal

(iii) The Company has been regular in transferring amounts to the Investor Education and Protection Fund after considering SORA, pursuant to which certain past dues have been rescheduled for repayment.

(iv) There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated February 28, 2019 on Provident Fund (PF) on the inclusion of allowances for the purpose of PF contribution as well as its applicability of effective date. The Company will evaluate its position and act, as clarity emerges.

42. Employee benefits**A Defined contribution plans**

Contributions to defined contribution plans charged off for the year are as under:

(Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Company's contribution to provident fund	4.76	9.47
Company's contribution to superannuation fund	0.71	3.10
Company's contribution to employees' state insurance	0.33	0.14
Total	5.80	12.71

B Defined benefit plans

The Company operates the following post-employment defined benefit plans:-

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days of total basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Company on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act.

Liability with regards to Gratuity is accrued based on actuarial valuation at the balance sheet date, carried out by independent actuary. For details about the related employee benefits plan, refer accounting policies on employee benefits.

The following table set out the status of the defined benefit obligation

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Defined benefit liability- Gratuity	721.83	806.43
Total employee benefit liabilities		
Non-current	615.67	698.18
Current	106.16	108.25
Total employee benefit liabilities	721.83	806.43

For details about the related employee benefit expenses, refer note 31.

i) Reconciliation of the defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the defined benefit liability and its components

(Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance at the beginning of the year	806.43	938.99
Current service cost	37.32	41.98
Interest cost	54.76	63.76
Actuarial (gains)/losses recognised in other comprehensive income/(expense)	(75.99)	(63.98)
Benefits paid	(100.69)	(174.32)
Balance at the end of the year	721.83	806.43
Non-current	615.67	698.18
Current	106.16	108.25

ii) *Expense recognized in Statement of profit and loss*

(Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	37.32	41.98
Interest cost	54.76	63.76
Net cost	92.08	105.74

iii) *Remeasurements recognized in other comprehensive income/(expense)*

(Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Actuarial gain/(loss) on defined benefit obligation	75.99	63.98
	75.99	63.98

iv) *Actuarial assumptions*

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

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial assumptions		
Discount rate	7.13%	6.79%
Future salary growth	6.00%	6.00%
Retirement age	58 years	58 years
Mortality table	IALM (2012-14)	IALM (2012-14)
Withdrawal rate		
Upto 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

As at March 31, 2022, the weighted average duration of the defined benefit obligation was 11.82 - 14.85 year (March 31, 2021 : 12.60-14.85 year)

Expected contributions to post-employment benefit plans for the year ending March 31, 2022 are Rs. 91.07 lakh. (March 31, 2021: 99.52 lakh)

v) *Sensitivity analysis*

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Rupees in lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50%)	(27.31)	29.30	(29.96)	32.18
Future salary growth (0.50%)	29.47	(27.72)	32.27	(30.31)

Although the analysis does not take into account of the full distribution of cash flows expected under the plan, it does not provide an approximation of the sensitivity of the assumptions shown.

vi) 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 lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Year 1	106.18	108.25
Year 2	79.07	97.52
Year 3	37.24	77.40
Year 4	32.16	37.28
Year 5	32.58	32.64
Next 6	21.94	32.92
Next to 6 years	412.64	420.42

vii) Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Company is exposed to various risks as follow-

- Interest risk: The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
- Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
- Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

43. Related party disclosures:

In accordance with the requirements of Ind AS 24 on Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are:

A. Name and description of relationship of the related party**Subsidiaries**

- DCM Landmark Limited (Formerly known as DCM Textiles Limited)
- DCM Infotech limited (Formerly known as DCM Realty Investment & Consulting Limited)
- DCM Engineering Limited (Formerly known as DCM Tools & Dies Limited)
- DCM Finance & Leasing Limited (under process of strike off)
- DCM Infinity Realtors Limited (Formerly known as DCM Data Systems Limited)
- DCM Realty and Infrastructure Limited

Joint controlled entity

- Purearth Infrastructure Limited

Subsidiaries of Joint controlled entity

- Kalptru Realty Private Limited
- Kamayani Facility Management Private Limited
- Viganharta Estates Private Limited

Key management personnel, directors and/or individuals having direct or indirect control or significant influence, and their relatives:

11. Mr. Sumant Bharat Ram - Promoter
12. Mr. Yadvinder Goyal - Company Secretary (from November 13, 2021)
13. Mr. Sanjeev Kumar - Company Secretary (from June 29, 2021 to November 12, 2021)
14. Mr. Vimal Prasad Gupta - Company Secretary (upto 09.06.2021)
15. Mr. Ashwani Singhal – Chief Financial Officer
16. Mr. Jitendra Tuli –Managing Director
17. Mr. Dinesh Dhiman - Whole Time Director (upto December 12, 2020)
18. Mr. Bipin Maira - Independent Director
19. Mr. Vinay Sharma - Whole Time Director
20. Dr. Kavita A. Sharma - Independent Director
21. Mr. Sudhir Kumar Jain - Independent Director
22. Mr. Shyam Sunder Sharma - Additional Director
23. Mr. Ravi Vira Gupta - Independent Director (upto August 27, 2020)

Other Entities

24. DCM Engineering Products Educational Society
25. DCM Limited Superannuation Trust
26. DCM Employees Welfare Trust

Other Entities in which Individuals described in Sr. 11 above have direct or indirect control

27. Juhi Developers Private Limited
28. Teak Farms Private Limited
29. Unison International IT Services Limited
30. Aggresar Leasing and Finance Private Limited
31. Atlantic Commercial Company Limited
32. Calipro Real Estates Private Limited
33. Shreshtha Real Estates Private Limited

B. Transactions with related parties:

(Rupees in lakh)

Name of Related Party and Nature of Relationship	Nature of Transaction	For year ended March 31, 2022	For year ended March 31, 2021
Subsidiary			
DCM Infinity Realtors Limited	Expenses Reimbursed (Net)	-	0.35
(Formerly DCM Data Systems Limited)	Support Service Income	-	3.50
DCM Landmark Limited	Expenses Reimbursed (Net)	-	0.43
(Formerly DCM Textiles Limited)	Support Service Income	-	4.25
DCM Finance and Leasing Limited	Expenses Reimbursed (Net)	-	0.88
	Support Service Income	-	8.75
	Redemption of investment in preference shares	-	0.48
	Writing off investment due to strike off of name of subsidiary	5.00	-
DCM Realty and Infrastructure Limited	Expenses Reimbursed (Net)	-	0.25
	Support Service Income	-	2.50
DCM Engineering Limited	Amount paid on behalf of Holding Company - DCM Limited to Subsidiary	1,528.90	-
	Amount received on behalf of Holding Company - DCM Limited by Subsidiary	1,893.92	-
DCM Infotech Limited	Dividend received	45.90	45.90
	Deposit Given	100.00	-
	Deposit Received back	100.00	-
DCM Limited Superannuation Trust	Amount paid on behalf of DCM Limited	0.71	-

Notes to the Standalone financial statements for the year ended March 31, 2022 continued

Name of Related Party and Nature of Relationship	Nature of Transaction	For year ended March 31, 2022	For year ended March 31, 2021
Joint Controlled Entity			
Purearth Infrastructure Limited	Building Maintenance, Electricity and other expenses (net)	14.96	8.19
	Paid balance amount against building	10.31	-
	Purchase of rights in Residential Flats	278.65	1,487.74
	Payable for purchase of rights in flats (including Interest)	438.27	1,477.35
Key Management Personnel *			
Mr. Yadvinder Goel	Short term employee benefits	2.29	-
Mr. Dinesh Dhiman	Short term employee benefits	-	16.74
	Post-Employment benefits - Gratuity	-	6.58
	Other long term benefits - Compensated absences	-	1.47
Mr. Vimal Prasad Gupta	Short term employee benefits	1.48	9.21
Mr. Sanjeev Kumar	Short term employee benefits	1.67	-
Mr. Ashwani Singhal	Short term employee benefits	8.31	26.48
Mr. Jitendra Tuli	Sitting Fees	1.85	0.35
Dr. Kavita A. Sharma	Sitting Fees	2.45	0.40
Mr. Sudhir Kumar Jain	Sitting Fees	2.95	0.65
Mr. Ravi Vira Gupta	Sitting Fees	-	0.15
Mr. Shyam Sunder Sharma	Sitting Fees	0.40	-
Mr. Bipin Maira	Sitting Fees	3.00	0.65

* Provision for contribution to gratuity fund, leave encashment on retirement and other defined benefits which are made based on actuarial valuation on an overall company basis are not included in the remuneration of existing key management personnel.

The Company maintains superannuation trust for the purpose of administering the superannuation payment to its employees.

C. Balance Outstanding in Balance Sheet:

(Rupees in lakh)

Name of Related Party and Nature of Relationship	Nature of Transaction	As at March 31, 2022	As at March 31, 2021
Joint Controlled Entity			
Purearth Infrastructure Limited	Advance for purchase of rights in Residential Flats	9.00	1,535.60
	Payable for purchase of rights in flats (including Interest)	1,915.62	1,477.35
	Balance receivable	-	7.75
Subsidiary			
DCM Infotech Limited	Balance payable	42.12	42.12
DCM Engineering Limited	Balance receivable	365.03	-
Other Entities			
DCM Engineering Products Educational Society	Balance payable	7.38	7.38
DCM Employees Welfare Trust	Balance receivable (Net of provision)	179.89	179.89
	Provision for doubtful debts	100.00	100.00
DCM Limited Superannuation Trust	Balance payable	0.71	-
Key Management Personnel			
Mr. Dinesh Dhiman	Balance payable	-	5.03
Mr. Ashwani Singhal	Balance payable	3.29	-
Mr. Sanjeev Kumar	Balance payable	0.32	-
Mr. Yadvinder Goyal	Balance payable	1.97	-

44. Assets held for sale

“The Board of Directors of the Company, in its meeting held on February 8, 2018, approved the sale of land and building held by Engineering Division located in Kodukanthangal Village and Serkadu Village, Katpadi Sub-Registration District, Vellore Registration District, Vellore District, Tamil Nadu measuring 39.02 acre (March 31, 2021 - 39.02 acres) and land and building located in Rail Mazra Village, Tehsil Balachaur, Distt Shaheed Bhagat Singh Nagar, Punjab measuring 3.67 acres (March 31, 2021 - 3.67 acres) for such consideration and on such terms and conditions as may be deemed fit in the best interest of the Company. During the previous year land of 0.12 acres compulsory acquired by Govt for construction of road and gain of Rs 23.48 lakh is recognised in statement of profit and loss account under head “other income”. All the assets held for sale are pledged against the short term borrowing of the company (Refer note 21 (ii)).”

45. Operating segments**A. Basis for segmentation**

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company’s other components, and for which discrete financial information is available. All operating segment’s operating results are reviewed regularly by the Chief operating decision maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

In accordance with Ind AS 108 ‘Segment Reporting’ as specified in section 133 of the Companies act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014, the Company has identified four reportable segments, as described below, which are the Company’s strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the Chief operating decision maker (CODM) reviews internal management reports on a periodic basis.

The following summary describes the operations in each of the Company’s reportable segments:

<u>Reportable segments</u>	<u>Operations</u>
Real estate	Development at the Company’s real estate site at Bara Hindu Rao / Kishan Ganj, Delhi.
Grey iron casting	Grey iron casting manufacturing

B. Information about operating segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Board of Directors of the company. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm’s length basis.

Particulars	Reportable Segment						DCM Limited	
	Real Estate		Grey iron casting		Unallocated		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
	(Rupees in lakh)							
Segment revenue								
- External revenues	-	-	(3.97)	(105.69)	-	-	(3.97)	(105.69)
- Other operating revenue	-	-	114.12	156.17	-	-	114.12	156.17
Total segment revenue	-	-	110.15	50.48	-	-	110.15	50.48
Segment profit/(loss) before tax	1,443.09	-	867.55	(1,338.25)	-	-	2,310.65	(1,338.25)
Unallocated corporate expenses/ income (net of unallocated income/ expenses)	-	-	-	-	11.48	198.27	11.48	198.27
Profit before finance costs and tax	-	-	-	-	-	-	2,322.13	(1,139.99)
Finance costs	-	-	-	-	579.42	856.71	579.42	856.71
Profit/(loss) before tax	-	-	-	-	(35.48)	-	(35.48)	-
Provision for taxation	-	-	-	-	-	-	1,778.19	(1,996.70)
Profit/(loss) after taxation	-	-	739.99	817.45	22.12	39.25	762.11	856.70
Depreciation and amortization	-	-	-	-	-	-	-	-
Capital expenditure during the year	-	-	-	-	-	-	-	-
Non-cash expense other than depreciation	-	-	230.65	115.22	0.38	-	231.03	115.22

Particulars	Reportable Segment						DCM Limited	
	Real Estate		Grey iron casting		Unallocated		Total	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
	(Rupees in lakh)							
Segment assets	-	1,500.00	4,992.15	6,011.30	-	-	4,992.15	7,511.30
Assets held for sale	-	-	205.05	205.05	-	-	205.05	205.05
Unallocated assets	-	-	-	-	5,725.89	5,393.25	5,725.89	5,393.25
Total assets	1,915.62	1,500.00	5,197.20	6,216.35	5,725.89	5,393.25	10,923.09	13,109.60
Segment liabilities	-	1,500.00	3,106.38	8,101.15	2,232.61	903.49	7,254.61	10,504.64
Share capital and reserves	-	-	-	-	1,341.80	(512.37)	1,341.80	(512.37)
Loan funds	-	-	2,326.12	3,077.98	0.56	39.35	2,326.68	3,117.33
Total liabilities	1,915.62	1,500.00	5,432.50	11,179.13	3,574.97	430.47	10,923.10	13,109.60

C. Geographical information

The geographical information analyses the Company's revenues and non-current assets by the Company's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers and segment assets which have been based on the geographical location of the assets.

i. Revenues**(Rupees in lakh)**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
India (a)	110.15	50.48
Outside India (b)	-	-
Total (a+b)	110.15	50.48

ii. Non current assets***(Rupees in lakh)**

Particulars	As At March 31, 2022	As At March 31, 2021
India	4,898.93	5,896.56
Outside India	-	-
Total	4,898.93	5,896.56

* Non-current assets exclude financial instrument, deferred tax assets and post-employment benefit assets.

D. Major customers

There is no single customer who contributed 10% or more of the Company's revenue during the year ended March 31, 2022 and March 31, 2021.

46. Fair value measurement and 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 at March 31, 2022**(Rupees in lakh)**

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Other financial assets *	-	-	180.33	180.33	-	-	180.33
Current							
Trade receivables *	-	-	13.89	13.89	-	-	13.89
Cash and cash equivalents *	-	-	21.05	21.05	-	21.05	-
Bank Balances other than cash and cash equivalents	-	-	103.48	103.48	-	103.48	-
Loans *	-	-	17.05	17.05	-	-	17.05
Other financial assets *	-	-	636.45	636.45	-	-	636.45
Total	-	-	972.25	972.25	-	124.53	847.72
Financial liabilities							
Non-current							
Borrowings #	-	-	-	-	-	-	-
Other financial liabilities *	-	-	2,443.79	2,443.79	-	-	2,443.79
Current							
Borrowings #	-	-	2,326.67	2,326.67	-	2,326.67	-
Trade payables *	-	-	769.95	769.95	-	-	769.95
Other current financial liabilities *	-	-	2,925.44	2,925.44	-	-	2,925.44
Total	-	-	8,465.85	8,465.85	-	2,326.67	6,139.18

ii) As at March 31, 2021

(Rupees in lakh)

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Other financial assets *	-	-	180.31	180.31	-	-	180.31
Current							
Trade receivables *	-	-	17.19	17.19	-	-	17.19
Cash and cash equivalents *	-	-	27.75	27.75	-	27.75	-
Bank Balances other than cash and cash equivalents	-	-	166.96	166.96	-	166.96	-
Loans *	-	-	22.38	22.38	-	-	22.38
Other financial assets *	-	-	43.42	43.42	-	-	43.42
Total	-	-	458.01	458.01	-	194.71	263.30
Financial liabilities							
Non-current							
Borrowings #	-	-	9.89	9.89	-	9.89	-
Other financial liabilities *	-	-	2,005.52	2,005.52	-	-	2,005.52
Current							
Borrowings #	-	-	3,107.44	3,107.44	-	3,107.44	-
Trade payables *	-	-	5,863.93	5,863.93	-	-	5,863.93
Other current financial liabilities *	-	-	1,326.43	1,326.43	-	-	1,326.43
Total	-	-	12,313.21	12,313.21	-	3,117.33	9,195.88

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) which approximates fair value.

* The carrying amounts of trade receivables, trade payables, cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets and liabilities, approximates the fair values, due to their short-term nature. The loans, other non-current financial assets and bank deposits (due for maturity after twelve months from the reporting date), and other non-current financial liabilities, the carrying value of which 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, 2022 and March 31, 2021.

Reconciliation of fair value measurement of unquoted investment in equity instruments and preference shares classified as FVTPL (Level 3):

(Rupees in lakh)

Particulars	For the year ended	
	31-Mar-22	31-Mar-21
Opening balance	-	74.82
Less : Realised during the year	-	(74.82)
	-	-
Gain recognised in other comprehensive income	-	-
Closing balance	-	-

Valuation technique used to determine fair value

Specific valuation techniques used to value non-current financial assets and liabilities for whom the fair values have been determined based on present values and the appropriate discount rates of the Company at each balance sheet date. The discount rate is based on the weighted average cost of borrowings of the Company at each balance sheet date.

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 analyse 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. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(i) Credit risk

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 trade receivables. Trade receivables are generally unsecured and are derived from revenue earned from customers primarily located in India and USA. 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.

The average credit period on sales of goods and services (other than moulds) within India is 30 to 60 days, sale of moulds is 180 days and sales of goods and services outside India is 30 to 90 days.

Majority of trade receivables are from customers, which are fragmented and are not concentrated to individual customers. Trade receivables are generally realised within the credit period.

The Company's exposure to credit risk for trade receivables are as follows:

(Rupees in lakh)

Particulars	Gross carrying amount	
	As at March 31, 2022	As at March 31, 2021
Not due	-	-
1-90 days past due	-	-
91 to 180 days past due	-	-
More than 180 days past due #	13.89	64.83
Other receivables having negligible credit risk	-	-
Total	13.89	64.83

The Company believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk.

Movement in the allowance for impairment in respect of trade receivables:**(Rupees in lakh)**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance at the beginning	47.64	2.35
Impairment loss recognised / (reversed)	-	45.29
Less: Amount written off	(47.64)	-
Balance at the end	-	47.64

b. Financial risk management (continued)**(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 are fallen 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 materialise new financing arrangements, unlocking of value of unencumbered assets, 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. Also refer Note 48.

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. Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted:

(Rupees in lakh)

As at March 31, 2022	Carrying amount	Contractual cash flows #			
		Less than one year	Between one year and five years	More than 5 years	Total
Non-current liabilities					
Borrowings *	-	-	-	-	-
Other financial liabilities	2,443.79	-	1,915.62	528.17	2,443.79
Current liabilities					
Borrowings	2,326.67	2,326.67	-	-	2,326.67
Trade payables	769.95	769.95	-	-	769.95
Other financial liabilities *	2,925.44	2,925.44	-	-	2,925.44
Total	8,465.85	6,022.06	1,915.62	528.17	8,465.85

As at March 31, 2021	Carrying amount	Contractual cash flows #			
		Less than one year	Between one year and five years	More than 5 years	Total
Non-current liabilities					
Borrowings *	9.89	-	9.89	-	9.89
Other financial liabilities	2,005.52	-	2,005.52	-	2,005.52
Current liabilities					
Borrowings	3,107.44	3,107.44	-	-	3,107.44
Trade payables	5,863.93	5,863.93	-	-	5,863.93
Other financial liabilities *	1,326.43	1,326.43	-	-	1,326.43
Total	12,313.21	10,297.80	2,015.41	-	12,313.21

* Contractual cash flow includes the interest to be incurred and paid in subsequent periods

Refer note 39 on scheme

b. Financial risk management (continued)**ii. 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 optimising 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, 2022 and March 31, 2021 are as below:

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Financial liabilities		
Other current financial liabilities	-	29.35
	-	29.35

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at March 31, 2022 (previous year ended as on March 31, 2021) 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 lakh)

Particulars	Profit or loss before tax		Changes in equity (net of tax)	
	Strengthening	Weakening	Strengthening	Weakening
1% depreciation / appreciation in Indian Rupees against following foreign currencies:				
For the year ended March 31, 2022				
USD	-	-	-	-
	-	-	-	-
For the year ended March 31, 2021				
USD	(0.29)	0.29	(0.29)	0.29
	(0.29)	0.29	(0.29)	0.29

USD: United States Dollar

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 expose 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 exposes 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 lakh)

Variable-rate instruments	As at March 31, 2022	As at March 31, 2021
Term loans from banks (Non-current)	-	9.89
Loans repayable on demand from banks	2,326.67	3,107.44
Total	2,326.67	3,117.33

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 lakh)

Particulars	Profit or loss before tax		Changes in equity (net of tax)	
	increase	decrease	increase	decrease
Interest on term loans from banks				
For the year ended March 31, 2022	(49.09)	49.09	(49.09)	49.09
For the year ended March 31, 2021	(36.69)	36.69	(36.69)	36.69

47. Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital, Securities premium and all other equity reserves attributable to the equity holders of the Company. The primary objective of the management of the Company's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital, 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 manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may return capital to shareholders, raise new debt or issue new shares.

The Company monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts adjusted with available cash and bank balances divided by total capital (equity attributable to owners of the Company).

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings	2,326.67	3,117.33
Less : Cash and bank balances	124.53	194.71
Adjusted net debt (A)	2,202.14	2,922.62
Total equity (B)	1,341.80	(512.37)
Adjusted net debt to total equity ratio (A/B)	1.64	-

48. Due to continued situation of industrial unrest, the Company has been facing liquidity issues towards clearing of dues of creditors/banks and other liabilities pertaining to its Engineering Division. This has significantly reduced the Company's net worth and the current liabilities exceed the current assets by Rs. 4245.88 lakhs as at March 31, 2022. The Company is taking requisite steps to improve the liquidity and manage the existing situation.

The Scheme of Arrangement mentioned in note 39 above has been made with a view to restore profitability and revive the said Engineering Business Undertaking (Undertaking) by facilitating strategic investment and further sale /development of land parcel(s) owned by the Company and /or restructuring/settlement of outstanding loans, debts and liabilities pertaining to the Engineering Business to revive the said undertaking and infuse sufficient liquidity.

The management believes that with the above restructuring of Engineering Business Undertaking along with the restructuring/settlement of debt pertaining to said Undertaking and infusing liquidity by focusing /managing of its remaining business undertaking/real estate operation as well as other interim measures to improve liquidity, the Company will be able to continue its operation on a going concern basis.

Accordingly, the financial results of the Company have been prepared on a going concern basis.

49. As stated in note 48 above, the Company has proposed to restructure the outstanding loans payable to banks pertaining to its Engineering Business Undertaking, however, as per the original terms of said loans with the lenders, the Company has defaulted in repayment of dues aggregating to Rs 1204 lakh to these banks as on the date of approval of these financial statements.

50. "In view of continued situation of industrial unrest at Engineering Business Division of the Company, situated at Village Ason, District Shaheed Bhagat Singh Nagar (Punjab), the management of the Division has recommended to declare a lockout. The Board of Directors of the Company in their meeting held on October 21, 2019 has accordingly approved the declaration of lockout at its said Engineering Business Undertaking w.e.f. October 22, 2019.

The said lockout was opposed by the workmen of said Engineering Division before the Labour Authorities. Presently the matter is sub judicial before labour authorities.

Based on the legal advice received by the Company, the management is of the view that the present lockout is legal and justified. Therefore, the Company has not made any provision for wages pertaining to the lockout period October 22, 2019 to March 31, 2022 aggregating to Rs. 4402.50 lakh (till March 31, 2021 - Rs.2721.00 lakh).

51. The Company is listed on stock exchange in India, the Company has prepared consolidated financial statements as required under Ind As 110, Section 129 of Companies Act 2013 and listing requirements. The consolidated financial statement is available on Company's website for public use.

52. The Company has considered the impact of COVID-19 on its operations as well as its financial statements, including carrying amounts of investments, property plant and equipment, loans and other assets, as at March 31, 2022. In assessing the carrying value of these assets, the Company has used internal and external sources of information up to the date of approval of these financial statements, and based on current estimates, expects the net carrying amount of these assets will be recovered. The Company will continue to closely monitor any material changes to the business and financial statements due to COVID-19, wherever required.

53. Corporate Social Responsibility

Due to losses in the preceding three years to the current financial year , the provisions relating to Corporate Social Responsibility (CSR) are not applicable.

54. Financial Ratios

Ratios	Numerator	Denominator	For year ended March 2022	For year ended March 2021	% Variance	Reason for variance
Current Ratio	Current Assets	Current Liabilities	0.34	0.32	7.95%	Due to reduction in Current liabilities on account of payment to dues of Creditors and Banks.
Debt Equity Ratio	Total debt = (long term borrowings including current maturities + current borrowings + interest accrued and due on borrowings)	Total Equity = Issued share capital + Other Equity	1.73	(6.08)	128.50%	Due to increased in equity funds on account of profit earned and Repayment of Loan(s) of Bank during the year.
Debt Service Coverage Ratio	Earning Available for Debt = Net Profit after taxes + depreciation and other amortizations + Interest + other Non cash adjustments like loss on discard of C-Wip	Debt service = Interest & Lease Payments + Finance Cost	3.90	(0.32)	1302.37%	Due to profit earned during the year as compare to the loss incurred in the Previous year.
Return on Equity Ratio	Return = Net Profits after taxes	Equity = Total average Equity	4.29%	(4.40%)	197.49%	Due to profit earned during the year as compare to the loss in the Previous year.
Inventory turnover Ratio	Sales	Average Inventory	0.09	0.04	145.02%	Revenue from operation is increase in current year.
Trade receivables turnover Ratio	Revenue from operations	Average trade Receivables	7.09	1.15	514.53%	Reduction in trade receivable and increase in revenue in the current year.
Trade payables turnover Ratio	Net Credit Purchases	Average Trade Payables	NA	NA		NA

Notes to the Standalone financial statements for the year ended March 31, 2022 continued

Ratios	Numerator	Denominator	For year ended March 2022	For year ended March 2021	% Variance	Reason for variance
Net Capital turnover Ratio	Revenue from operations	Working capital = Current Aseets/ Current Liabilities	322.65	159.62	102.14%	Increase in revenue from operation during the current year.
Net Profit Ratio	Net Profit	Net Sales = Revenue from operation	16.14%	(39.55%)	140.81%	Due to profit earned during the year as compare to the loss in the Previous year.
Return on capital employed Ratio	Earning before interest and taxes	Capital Employed = Tangible Net Worth (Total equity - Intangible assets) + Total Debt + Deferred Tax Liability	0.63%	(0.44%)	243.96%	EBIT is positive due to profit earned during the year as compare to the loss in the Previous year and Capital employed is imporved due to repayment of loan to bank.
Return on Investment	Interest on Investment		NA	NA		NA

55. Struck off Companies : Details of relationship with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of the Companies Act, 1956:

Name of the Struck off Company	Nature of Transaction with struck off Company	Balance outstanding as at March 31, 2022 (Nos.)	Balance outstanding as at March 31, 2021 (Nos.)	Relationship with struck off company
DCM Finance and Leasing Limited	Shares held of Struck off Company (under process)	-	49,996 number of shares of Rs.10/- each	Subsidiary

56. Additional regulatory information required by Schedule III of Companies Act, 2013.

(i) **Details of Benami property:**

No proceedings have been initiated or are pending against the Company for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder

(ii) **Utilisation of borrowed funds and share premium:**

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or
- provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(iii) **Compliance with number of layers of companies:**

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

(iv) **Compliance with approved scheme(s) of arrangements: Refer Note 39**

(v) **Undisclosed income:**

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(vi) **Details of crypto currency or virtual currency:**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(vii) **Valuation of PP&E, intangible asset and investment property:**

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(viii) The company has not granted any loans or advances in the nature of loans either repayable on demand.

57. Events occurring after the Balance Sheet Date

No adjusting or significant non- adjusting events have occurred between the reporting date and date of authorization of these standalone financial statements.

58. Standard notified but not yet effective

The Ministry of Corporate Affairs has vide notification dated 23rd March 2022 notified Companies (India Accounting Standards) Amendmendt Rules, 2022 which amends certain accounting standards, and are effective 1st April, 2022. These amendments are not expected to have a material impact on the Company in the current of future reporting periods and on foreseeable future transactions.

59. Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure.

The accompanying notes are an integral part of these standalone financial statements

As per our report of even date.

For S S Kothari Mehta & Company

Chartered Accountants

ICAI Firm Registration No.: 000756N

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

Sunil Wahal

Partner

Membership No.: 087294

Place : New Delhi

Date : May 28, 2022

Bipin Maira

Chairman

DIN: 05127804

Ashwani Singhal

Chief Financial Officer

Place : New Delhi

Date : May 28, 2022

Jitendra Tuli

Managing Director

DIN: 00272930

Yadvinder Goyal

Company Secretary

Dr. Kavita A Sharma

Director

DIN: 07080946

INDEPENDENT AUDITORS' REPORT

To the Members of D C M Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of **D C M Limited** ("the Company" or "Holding Company"), and its subsidiaries (the Company and its subsidiaries referred to as "the Group") and its joint venture (including its subsidiary companies together referred to as "jointly controlled entities"), which comprise the consolidated balance sheet as at March 31, 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of subsidiaries and its jointly controlled entities and information provided by the management referred to in the other matter section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Group and its jointly controlled entities as at March 31, 2022, and consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated 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 consolidated Financial Statements section of our report. We are independent of the Group and jointly controlled entities 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 consolidated 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 and the audit evidence obtained by the other auditors in terms of their reports referred to in 'Other Matter' paragraph below is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Material uncertainty relating to Going Concern

We draw attention to Note: 48 of the consolidated financial statements highlighting that due industrial unrest the Holding Company is facing liquidity issues towards clearing of its of creditors/banks and other liabilities pertaining to its Engineering Division. This has significantly eroded the Group's net worth and the current liabilities exceed the current assets by Rs. 2343.64 lakhs as at March 31, 2022. The Holding Company has initiated restructuring of its Engineering Division as explained in the Note 39. The management of Holding Company believes that with the above restructuring of Engineering Business Undertaking along with the restricting/settlement of debt pertaining to said Undertaking and infusing liquidity by focusing /managing of its remaining business undertaking/ real estate operation as well as other interim measures to improve liquidity, the

Group and its jointly controlled entities will be able to continue its operation on a going concern basis. Accordingly, the statement of the Group has been prepared on a going concern basis.

Our opinion is not modified in respect of this matter.

Emphasis of Matter

Without qualifying our opinion, we draw attention to the following:

- i. Note 48 of the consolidated financial statements, during the previous year in view of continued situation of industrial unrest, Holding Company has declared lockout at its engineering business undertaking. On the basis of legal advice, Management of the Holding Company is of the view that the present lockout is legal and justified. Therefore, the Holding Company has not made any provision for wages pertaining to the lockout period from October 22, 2019 to March 31, 2022 aggregating to Rs. 4,402.50 lakhs.
- ii. Note 39 to the consolidated financial statements, the Company has received certain recovery notices/petitions from the creditors and the bankers who have provided working capital/terms loan facilities to the Engineering Division of the holding Company. Pursuant to the restructuring scheme approved by the Board of the Company the settlement of all such creditors and banks has already been provided for in this Scheme. In addition, the Company is taking other interim measures as explained in the said Note 39 to improve liquidity, management action is also explained in the said note.
- iii. Note 39 to the consolidated financial statements, the banking operation of current account(s) maintained by the Holding Company has been discontinued by the Bankers in view of notification of RBI restricting opening/operation of current account by customers who have availed Cash Credit / Overdraft facilities. This has adversely impacted the ability of the Holding Company to run its day-to-day operations as its cash credit/ overdraft accounts are classified as NPA. In view of above, as an interim measure, the day-to-day banking transaction of receipt and as well as payment for statutory dues/overheads and/or other critical payments are facilitated by the Holding Company through one of its wholly owned subsidiary.
- iv. Note 52 to the consolidated financial Statements, which describes the uncertainties and the impact of Covid-19 pandemic on the Holding Company's operations and results as assessed by the management.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in Auditor's responsibilities for the audit of consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The audit of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key Audit Matters	How are audit addressed the key audit matters
<p>As at March 31, 2022, the Holding Company's balance sheet includes property, plant and equipment amounting to Rs. 4,143.74 lakhs. The Engineering Division has continuous losses and accordingly, the management has assessed it for impairment.</p> <p>The assessment of the recoverable value of the assets of the Engineering Division aggregating Rs. 3,497.32 lakhs, incorporates significant judgement in respect of factors such as valuation of land, future production levels, sales prices, operating/capital costs and economic assumptions such as discount rates, inflation rates etc.</p> <p>We identified assessing impairment of property, plant and equipment of Engineering Division as a key audit matter, considering it to be significant to the Company's total assets, involving significant judgement and estimation in determining the recoverable amount.</p>	<p>Our procedures in relation to management's impairment assessment included, but not limited to, the following procedures:</p> <ul style="list-style-type: none"> • testing the design and implementation of controls in place; • obtaining and reviewing management assessment whether there were any indicators of impairment of property, plant and equipment as at March 31,2022; • obtaining valuation report in respect of land and plant & equipment carried out by external valuer; • assessing appropriateness of impairment assessment and methodologies used; • evaluating reasonableness of key assumptions used in the valuation; • assessing the adequacy of disclosures in the standalone financial statements, in respect of the property, plant and equipment.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Annual Report but does not include the consolidated financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. When we read Annual Report, If we conclude that there is a material misstatement of this other information, we are required to communicate the matter to those charge with governance.

Management's and Board of Directors' Responsibility for the Consolidated Financial Statements

The Holding Company's Management are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets

of the Group 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and its jointly controlled entities are responsible for assessing the ability of the Group and its jointly controlled entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and its jointly controlled entities or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and its jointly controlled entities are also responsible for overseeing the financial reporting process of the Group and of its jointly controlled entities.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company, its subsidiary companies and its jointly controlled entities incorporated in India has adequate internal financial controls 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 consolidated 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 ability of the Group and its jointly controlled entities 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

consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its jointly controlled entities to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 consolidated 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 Matters

- We did not audit the financial statements/information of five (5) subsidiaries whose financial statements/information reflect total assets of Rs. 384.46 lakhs as at March 31, 2022; as well as the total revenue of Rs. Nil, total loss after tax of Rs. (1.84) lakhs, total comprehensive loss of Rs. (1.84) lakhs and net cash inflow amounting to Rs. 360.95 lakhs for the year ended March 31, 2022, as considered in these consolidated financial statements. These financial statements and other financial information of these subsidiaries have been audited by other auditors whose audit reports for the year ended March 31, 2022 have been furnished to us by the management, and our opinion on the consolidated financial statements, in so far as it relates to the amount and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiaries, is based solely on the report of the other auditors.
- The consolidated financial statements also include the Group's share of profit including other comprehensive income of Rs. 516.98 lakhs for the year ended March 31, 2022, in respect of one joint venture Company and its three subsidiaries. The financial statements of these jointly controlled entities have been audited by other auditors whose audit reports for the year ended March 31, 2022, have been furnished to us by the management. Our opinion on these consolidated financial statements, to the extent it concerns these jointly controlled entities, for the year ended March 31, 2022, is based solely on the report of the other auditors.
- The Consolidated financial statements include the unaudited financial statements of one subsidiary, whose financial statements reflect total assets of Rs. Nil as on March 31, 2022, total revenue of Rs Nil and total net loss after tax of Rs 0.51 lakhs and total comprehensive loss of Rs 0.51 lakhs for the year ended March 31, 2022. Our report to the extent it concerns this subsidiary is based solely on the management certified financial statement/information. This subsidiary is not material to the Group.

Our opinion on the consolidated financial statements above and our report on the Other Legal and Regulatory Requirement below, is not modified in respect of above matters with respect to our reliance on the work done and the reports of the other auditors and the financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditors' Report) Order, 2020 (the 'Order' or 'CARO'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiaries and its joint venture (including its subsidiary companies together referred to as "jointly controlled entities"), incorporated in India, we give in the "Annexure A" a statement on the matters specified in paragraphs 3(xxi) of the Order.
- As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements of the subsidiaries and its jointly controlled entities and management certified account of one of the subsidiary as referred to in the Other Matters paragraph, we report that:
 - 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;
 - In our opinion, proper books of account as required by law relating to preparation of consolidated financial statements have been kept so far as it appears from our examination of those books;
 - The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the books of account;
 - In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors of the Company and its subsidiaries and jointly controlled entities incorporated in India and the report of the statutory auditors of its subsidiary Companies and jointly controlled entities incorporated in India and management certified financial statements of one of the subsidiary Company incorporated in India, none of the directors of the group and its jointly controlled entities is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
 - With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" which is based on the auditor's reports of the Group and its jointly controlled entities incorporated in India;
 - In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, and joint controlled entities incorporated in India, the managerial remuneration for the year ended March 31, 2022 has been paid / provided by the Holding Company, its subsidiaries and joint controlled entities incorporated in India to their directors in accordance with the provisions of section

197 read with Schedule V to the Act;

- h) 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 Group and its jointly controlled entities has disclosed the impact of pending litigations as at March 31, 2022 on its financial position in its consolidated financial statements - Refer Note 41 to the consolidated financial statements.
 - ii. The Group and its jointly controlled entities 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 Group and its jointly controlled entities incorporated in India.
 - iv. a) The respective managements of the Holding Company, its subsidiary company and jointly controlled entities incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, and joint controlled entities respectively that, to the best of their knowledge and belief, as disclosed in Note 55 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies or its joint controlled entities to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary companies, or its joint controlled entities ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The respective managements of the Holding Company, its subsidiary company and jointly controlled entity incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, and joint controlled entities respectively that, to the best of their knowledge and belief, as disclosed in the Note 55 to the accompanying consolidated financial statements, no funds have been received by the Holding Company or its subsidiary companies, or its joint controlled entities from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary companies, or its joint controlled entities shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed by us and

that performed by the auditors of the subsidiaries and joint controlled entities as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

- v. No dividend has been declared or paid during the year by the Group.

For S.S. Kothari Mehta & Company
Chartered Accountants
Firm Registration No. 000756N

Sunil Wahal
Partner

Place: New Delhi
Date: May 28, 2022

Membership No: 087294
UDIN: 22087294AJUNWT9162

Annexure 1 to the independent auditors report on the consolidated financial statements of D C M Limited for the year ended 31 March 2022

(Referred to in our report of even date)

In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, have unfavourable remarks, qualifications or adverse remarks given by the respective auditors in their reports under the companies (Auditor's Report) Order,2020 (CARO):

Sr. No.	Name of the entities	CIN	Holding/ Subsidiary/ Jointly controlled entities	Clause No. of CARO report which is unfavourable or qualified or adverse
1	DCM Limited	L74899DL1889PLC000004	Holding Company	ii(b), ix(a), xvii and xix
2	Purearth Infrastructure Limited	U45202DL1991PLC046111	Jointly controlled entity	xvii

Annexure B to the Independent Auditor's Report to the Members of D C M Limited on its consolidated financial statements dated May 28, 2022.

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013.

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of **D C M Limited** as of and for the year ended March 31, 2022, we have audited the Internal Financial Controls over Financial Reporting of **D C M Limited** (hereinafter referred to as "the Company" or "Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its joint venture (including its subsidiary companies together referred to as "jointly controlled entities") incorporated in India, for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiaries and its jointly controlled entities which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company, its subsidiaries and its jointly controlled entities considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective companies policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group and its jointly controlled entities internal financial controls over financial reporting based on our audit.

We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, and, both issued by the Institute of ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in term of their report referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these Consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A Company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles.

A Company's internal financial controls with reference to consolidated financial statements includes 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial Controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Group and its jointly controlled entities incorporated in India have maintained, in all material respects, adequate internal financial controls over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting with reference to these consolidated financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Group and its jointly controlled entities considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

- a. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting with reference to these consolidated financial statements insofar as it relates to five subsidiaries and four jointly controlled entities, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies.
- b. Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal controls over financial reporting does not cover in so far as it relates to one subsidiary company, which is incorporated in India, as the financial statements of this subsidiary Company is management certified. This subsidiary company is not considered material to the Group.

For S.S. Kothari Mehta & Company
Chartered Accountants
Firm Registration No. 000756N

Sunil Wahal
Partner

Place: New Delhi
Date: May 28, 2022

Membership No: 087294
UDIN: 22087294AJUNWT9162

Consolidated Balance Sheet as at March 31, 2022

(Rupees in lakh)

Particulars	Note	As at	
		March 31, 2022	March 31, 2021
ASSETS			
Non-current assets			
Property, plant and equipment	3	4,227.31	5,077.10
Capital work-in-progress	3	-	7.25
Right of use assets	4	57.21	91.55
Intangible assets	4	7.46	17.61
Financial assets			
(i) Investments	5	1,099.35	581.73
(ii) Other financial assets	6	252.13	199.56
Deferred tax assets (net)	35	55.54	58.45
Non-current tax assets (net)	7	396.79	364.71
Other non-current assets	8	742.34	780.43
Total non-current assets		6,838.13	7,178.39
Current assets			
Inventories	9	1,058.97	1,314.46
Financial assets			
(i) Trade receivables	10	1,536.64	1,031.67
(ii) Cash and cash equivalents	11	827.92	426.78
(iii) Bank balances other than (ii) above	12	520.81	531.44
(iv) Loans	13	19.13	24.29
(v) Other financial assets	14	476.39	163.43
Other current assets	15	206.25	1,695.18
Assets held for sale	44	205.05	205.05
Total current assets		4,851.16	5,392.30
Total assets		11,689.29	12,570.69
EQUITY AND LIABILITIES			
Equity			
Equity share capital	16	1,867.77	1,867.77
Other equity	17	(673.96)	(3,774.46)
Total equity		1,193.81	(1,906.69)
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	18	-	9.89
(ii) Lease liabilities	4	32.65	71.87
(iii) Other financial liabilities	19	2,443.79	2,005.53
Provisions	20	824.24	947.53
Total non-current liabilities		3,300.68	3,034.82
Current liabilities			
Financial liabilities			
(i) Borrowings	21	2,326.67	3,107.44
(ii) Lease Liabilities	4	39.22	33.70
(iii) Trade payables	22		
Dues to micro and small enterprises		65.51	2,426.74
Dues to others		1,094.58	3,686.69
(iv) Other financial liabilities	23	3,083.56	1,625.62
Other current liabilities	24	390.91	341.73
Provisions	25	155.90	122.30
Current tax liabilities (net)	26	38.45	98.34
Total current liabilities		7,194.80	11,442.56
Total equity and liabilities		11,689.29	12,570.69
Significant accounting policies	2		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date.

For S S Kothari Mehta & Company
Chartered Accountants
ICAI Firm Registration No.: 000756N

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

Sunil Wahal
Partner
Membership No.: 087294

Bipin Maira
Chairman
DIN: 05127804

Jitendra Tuli
Managing Director
DIN: 00272930

Dr. Kavita A Sharma
Director
DIN: 07080946

Place : New Delhi
Date : May 28, 2022

Ashwani Singhal
Chief Financial Officer

Yadvinder Goyal
Company Secretary

Place : New Delhi
Date : May 28, 2022

DCM

Consolidated Statement of Profit and Loss for the year ended March 31, 2022

(Rupees in lakh)

Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
Income			
Revenue from operations	27	6,977.25	4,740.00
Other income	28	3,737.59	437.56
Total income		10,714.84	5,177.56
Expenses			
Cost of materials consumed	29	-	(27.99)
Changes in inventories of finished goods and work in progress	30	40.66	24.77
Employee benefits expense	31	3,884.88	3,470.83
Finance costs	32	590.32	872.78
Depreciation and amortisation expense	33	813.50	924.30
Other expenses	34	2,687.94	1,562.88
Total expenses		8,017.30	6,827.57
Profit/ (loss) before tax and share of profit/ (loss) of equity accounted investee		2,697.54	(1,650.01)
Share of Profit/(loss) of equity accounted investee		516.98	(90.87)
Profit/ (loss) before tax		3,214.52	(1,740.88)
Tax expense			
Current tax expense	35	231.30	108.88
Tax adjustment relating to prior years	35	(33.76)	(13.07)
Deferred tax charge/(benefit)	35	0.45	(52.58)
		197.99	43.23
Profit/(Loss) for the year		3,016.53	(1,784.11)
Other comprehensive income/(loss)			
<i>Items that will not be reclassified to profit or loss in subsequent year</i>			
Re-measurement gain of defined benefit plan		85.78	75.36
Income tax relating to remeasurement of defined benefit plan		(2.46)	(2.86)
Share in other comprehensive income/(expense) of joint venture (net of tax)		0.65	(0.08)
Net other comprehensive income not to be reclassified in subsequent year		83.97	72.42
Total other comprehensive income net of tax		83.97	72.42
Total comprehensive income/(loss) for the year		3,100.49	(1,711.69)
Earnings per equity share of Rs. 10 each	37		
Basic and diluted earning per share		16.15	(9.55)
Significant accounting policies	2		
The accompanying notes are an integral part of these consolidated financial statements			

As per our report of even date.

For S S Kothari Mehta & Company
Chartered Accountants
ICAI Firm Registration No.: 000756N

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

Sunil Wahal
Partner
Membership No.: 087294

Bipin Maira
Chairman
DIN: 05127804

Jitendra Tuli
Managing Director
DIN: 00272930

Dr. Kavita A Sharma
Director
DIN: 07080946

Place : New Delhi
Date : May 28, 2022

Ashwani Singhal
Chief Financial Officer

Yadvinder Goyal
Company Secretary

Place : New Delhi
Date : May 28, 2022

Statement of Consolidated changes in equity for the year ended March 31, 2022

A. Equity share capital

(Rupees in lakh)

Particulars	Note	Amount
Balance as at April 1, 2020	16	1,867.77
Changes in equity share capital during the financial year 2020-2021		-
Balance as at March 31, 2021		1,867.77
Balance as at April 1, 2021	16	1,867.77
Changes in equity share capital during the financial year 2021-2022		-
Balance as at March 31, 2022		1,867.77

B. Other equity

(Rupees in lakh)

Particulars	Reserve and surplus						Items of OCI	Total
	Securities premium	Reserve	Capital redemption reserve	Special reserve	Capital reserves	Surplus in Statement of Profit or loss	Exchange difference on translation of foreign operation	
Balance as at April 1, 2020	1,061.19	0.27	130.10	29.96	265.28	(3,610.58)	61.02	(2,062.76)
Loss for the year	-	-	-	-	-	(1,784.11)	-	(1,784.11)
Other comprehensive income for the year	-	-	-	-	-	72.42	-	72.42
Total comprehensive income/loss for the year	-	-	-	-	-	(1,711.69)	-	(1,711.69)
Balance as at March 31, 2021	1,061.19	0.27	130.10	29.96	265.28	(5,322.26)	61.02	(3,774.46)
Extinguishment of reserves of DCM Finance and Leasing Ltd.*	-	(0.27)	-	-	(239.88)	(240.16)	-	-
Transfer of exchange difference on translation of foreign operations	-	-	-	-	-	61.02	(61.02)	-
Transfer of reserve	-	-	-	(29.96)	-	29.96	-	-
Profit for the year	-	-	-	-	-	3,016.53	-	3,016.53
Other comprehensive income for the year	-	-	-	-	-	83.97	-	83.97
Total comprehensive income for the year	-	-	-	-	-	3,100.49	-	3,100.49
Balance as at March 31, 2022	1,061.19	-	130.10	-	25.40	(1,890.65)	-	(673.96)

The Company is in the process for strike off the name of its subsidiary namely DCM Finance and Leasing Ltd. (Refer Note 54)

Refer Note 17 for nature and purpose of reserve

The accompanying notes are an integral part of these Consolidated financial statements.

As per our report of even date.

For S S Kothari Mehta & Company
Chartered Accountants
ICAI Firm Registration No.: 000756N

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

Sunil Wahal
Partner
Membership No.: 087294

Bipin Maira
Chairman
DIN: 05127804

Jitendra Tuli
Managing Director
DIN: 00272930

Dr. Kavita A Sharma
Director
DIN: 07080946

Place : New Delhi
Date : May 28, 2022

Ashwani Singhal
Chief Financial Officer

Yadvinder Goyal
Company Secretary

Place : New Delhi
Date : May 28, 2022

Consolidated Cash flow statement for the year ended March 31, 2022

(Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Cash flow from operating activities		
Profit/(Loss) before taxation	3,214.52	(1,740.88)
Adjustments for :		
Depreciation and amortisation expense	813.50	924.30
Profit on assets sold or discarded (Net)	(4.60)	(13.64)
Income from sale of rights in flats	(96.30)	-
Liabilities no longer required written back	(2,110.08)	(342.83)
Dividend Income	-	(66.58)
Interest income	(27.96)	-
Unwinding of discount on security deposits	-	0.02
Finance costs	590.32	872.78
Finance lease income	(0.23)	(6.64)
Reversal of expected credit loss	6.27	44.81
Bad debts and irrecoverable balances written off	0.38	16.51
Inventory of stores and spares written off	212.07	-
investment written off	0.50	-
Remeasurement of revenue to finance income and lease income	-	142.01
Gain on extinguishment of right to use assets	-	(3.05)
Share of (Profit)/loss in jointly controlled entity	(516.98)	90.87
Operating cash flow before working capital changes	2,081.41	(82.32)
Working capital changes		
(Increase)/decrease in inventories	255.49	36.13
(Increase)/decrease in trade receivables	(501.38)	(61.92)
(Increase)/decrease in loans	5.16	8.03
(Increase)/ decrease in other financial assets	(728.72)	(24.43)
(Increase)/decrease in other assets	1,623.45	11.16
Increase/ (decrease) in trade payables	(2,844.28)	75.95
Increase/(decrease) in provisions	(79.92)	(44.27)
Increase/(decrease) in financial liabilities	2,265.30	277.80
Increase/(decrease) in other liabilities	49.22	(33.29)
Cash generated from operations	2,125.73	162.84
Income tax (paid)/received (net of refund)	(290.66)	133.92
Net cash generated from operating activities (A)	1,835.07	296.76
Cash flow from investing activities		
Payment towards property, plant and equipment (including Capital Advances)	(17.04)	(10.56)
Net proceeds from sale of rights in flats	(17.50)	-
Payment towards purchase of rights in flats	90.03	(11.15)
Proceeds from disposal of Property, plant and equipment (including advance received)	-	52.69
Proceeds from disposal of asset held for sale	-	25.97
Proceeds from redemption of preference shares measured as FVTPL	-	80.00
Interest received on financial assets measured at amortised cost	27.11	23.85
Maturity of / (Investment in) bank deposits (net) not considered as cash and cash equivalents	(8.05)	(413.62)
Net cash generated from/ (used) in investing activities (B)	74.55	(252.82)
Cash flow from financing activities		
Repayment of borrowings	(223.07)	(31.80)
Changes in working capital borrowings	(567.59)	-
Payment towards lease liability	(33.70)	(46.35)
Interest paid	(684.12)	(25.03)
Net cash (used) in financing activities (C)	(1,508.48)	(103.18)
Net cash flows [increase/(decrease)] during the year (A+B+C)	401.14	(59.24)
Cash and cash equivalents at the beginning of the year	426.78	486.02
Cash and cash equivalents at the end of the year	827.92	426.78
Components of cash and cash equivalents		
Cash on hand	0.86	2.67
Balances with scheduled banks:		
- Current accounts	532.06	304.11
- Deposit accounts	295.00	120.00
Cash and cash equivalents at the end of the year	827.92	426.78

Note: Statement of Cash Flows has been prepared under the indirect method as set out in the Ind AS 7 "Statement of Cash Flows".
The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date.

For S S Kothari Mehta & Company

Chartered Accountants

ICAI Firm Registration No.: 000756N

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

Sunil Wahal

Partner

Membership No.: 087294

Bipin Maira

Chairman

DIN: 05127804

Jitendra Tuli

Managing Director

DIN: 00272930

Dr. Kavita A Sharma

Director

DIN: 07080946

Place : New Delhi

Date : May 28, 2022

Ashwani Singhal

Chief Financial Officer

Place : New Delhi

Date : May 28, 2022

Yadvinder Goyal

Company Secretary

DCM

Notes to the consolidated financial statements for the year ended March 31, 2022**1. Corporate information and basis of preparation and presentation****1.1. Corporate information**

DCM Limited (the 'Holding Company') is a public limited company incorporated in India in the name and style of Delhi Cloth & General Mills Co. Limited (herein after D C M Limited) with registered office at Unit Nos. 2050 to 2052, 2nd Floor, Plaza II, Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi - 110006, India (CIN number L74899DL1889PLC000004). The Holding Company is listed on two stock exchanges in India namely National Stock Exchange of India Ltd and Bombay Stock Exchange Ltd. These consolidated financial statements comprise the Holding Company and its subsidiaries and special purpose entity (referred to collectively as the 'Group') and the Group's interest in joint ventures. The Group is primarily engaged in the business of Textiles, Grey iron casting, IT Infrastructure Service and Real Estate.

1.2. Basis of preparation and presentation

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The consolidated financial statements were authorised for issue by the Holding Company's Board of Directors on May 28, 2022. Details of the Group's accounting policies are included in Note 2.

a. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees (INR), which is also the Holding Company's functional currency. All amounts have been rounded-off to the nearest lakh, unless otherwise indicated.

b. Basis of measurement

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

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

Use of estimates and judgements

In preparing these consolidated 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

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

Note 2 (f) - classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

Note 2 (m) - lease classification

Note 2 (m) - leases: whether an arrangement contains a lease

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2022 is included in the following notes:

Note 2 (c) - measurement of useful lives and residual values to property, plant and equipment

Note 2 (d) - measurement of useful lives of intangible assets

Note 2 (f) - fair value measurement of financial instruments

Note 2 (j) - measurement of defined benefit obligations: key actuarial assumptions

Note 2 (k) - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources

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

2. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these 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 realised in, or is intended for sale or consumption in, the Group's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date. Current assets include the current portion of non-current financial assets. All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- It is expected to be settled in the Group's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is due to be settled within 12 months after the reporting date; or
- The Group does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting 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 Group and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

b. Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes the corporate finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the board of directors.

The corporate 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.

Significant valuation issues are reported to the Holding Company's audit committee.

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).

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

c. Basis of Consolidation*Subsidiaries*

The consolidated financial statements incorporate the financial statements of the Holding Company and entities (including structured entities) controlled by the Holding Company and its subsidiaries. Control is achieved when the Holding Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Holding Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Holding Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Holding Company considers all relevant facts and circumstances in assessing whether or not the Holding Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Holding Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Holding Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Holding Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Holding Company gains control until the date when the Holding Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Holding Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Holding Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Equity Accounted investees

The Group's interests in equity accounted investees comprise interests in joint ventures.

A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees until the date on which joint control ceases.

Transactions eliminated on consolidation

Intragroup balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

The details of the companies included in the consolidation and the Parent Company's holding therein is as under:

S. No.	Name of the subsidiary company	Nature of relation	Ownership in% either directly or through subsidiary*		Country of incorporation
			2021-22	2020-21	
1.	DCM Textiles Limited	Subsidiary	100%	100%	India
2.	DCM Realty and Infrastructure Limited	Subsidiary	100%	100%	India
3.	DCM Engineering Limited (Formerly DCM Tools & Dies Limited)	Subsidiary	100%	100%	India
4.	DCM Infotech Limited (Formerly DCM Realty Investment & Consulting Limited)	Subsidiary	100%	100%	India
5.	DCM Data Systems Limited	Subsidiary	100%	100%	India
6.	DCM Engineering Products Educational Society	Society	100%	100%	India
7.	Purearth Infrastructure Limited	Joint venture	16.56%	16.56%	India

* Includes shares held by nominee shareholders

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 and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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 or 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 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, the initial estimate of dismantling and removing the items and restoring the site on which they are located.

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 Group 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.

- (i) The Group follows straight-line method of depreciation in respect of buildings, plant and machinery, all assets of IT Division, all assets of Engineering Division and written down value method in respect of other assets.
- (ii) 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.
- (iii) On assets sold, discarded, etc., during the year, depreciation is provided up to the date of sale/discard.
- (iv) Depreciation has been calculated on a pro-rata basis in respect of acquisition/installation during the year.
- (v) Leasehold improvements are amortised over the balance of the primary lease period or the useful lives of assets, whichever is shorter.
- (vi) Freehold land is not depreciated

Depreciation methods, useful lives and residual values are reviewed at each financial year, and changes, if any, are accounted for prospectively. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

e. Intangible assets*Recognition and measurement*

Intangible assets comprise computer software. Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the tax authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the statement of profit and loss when the asset is derecognised.

Amortisation

The management's estimates of the useful lives of the Software are 3-5 years.

Amortisation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

f. Inventories

- (i) Stores, spares and components are valued at cost or under.
- (ii) Raw materials, process stocks, finished goods and stock in trade are valued at lower of cost and net realisable value.
- (iii) Land (for development) on conversion into inventory from fixed assets is valued at the lower of its historical cost and net realisable value, and includes appropriate share of land development expenses and finance cost of borrowed funds relating thereto.

Cost of inventories, other than land (for development), is ascertained on the weighted average basis in textiles division and moving weighted average basis in engineering division. Further, in respect of the manufactured inventories, i.e., process stocks and finished goods, appropriate share of manufacturing expenses are included on absorption costing basis. Work in process relating to software contracts includes salary and other directly identifiable expenses incurred on fixed price contracts, till the completion of specified deliverables, and are valued at cost or net realisable value, whichever is lower.

g. Financial instruments

Recognition and initial measurement

(i) Financial assets

Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the **Group**

becomes a party to the contractual provision of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of financial asset or financial liabilities, as appropriate, on initial recognition.

Classification and subsequent measurement

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group 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.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI-equity investment). The election is made on an investment-by-investment basis.

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 Group 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 Group recognizes loss allowance using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component 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 required to be 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 profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit and loss. Any gain or loss on derecognition is also recognised in profit or loss.

(iii) Offsetting

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

(iv) Investment in Subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

*Derecognition***(i) Financial assets**

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

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

(ii) Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in statement of profit or loss.

h. Impairment of non-financial assets

The Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. 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.

i. Non-current assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that they recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any resultant loss on a disposal group is allocated first to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets and employee benefit assets, which continue to be measured in accordance with the Group's other accounting policies. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in profit or loss.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the financial statement.

j. Dis-continued operations

A discontinued operation is a component of an entity that either has been disposed of, or is classified as held for sale, and represents a separate major line of business or geographical area of operations; is a part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or is a subsidiary acquired exclusively with a view to sell.

Discontinued operations are carried at the lower of carrying amount or fair value less cost of disposal. Any gain or loss from disposal, together with the results of these operations until the date of disposal, is reported separately as discontinued operations. The financial information of discontinued operations is excluded from the respective captions in the financial statements and related notes for all periods presented.

Adjustments in the current period to amounts previously presented in discontinued operations that are directly related to the disposal of a discontinued operation in a prior period are classified separately in Discontinued operations.

k. 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

Provident Fund: 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.

The Group makes specified monthly contributions towards employee provident fund and employee state insurance to Government administered fund which is a defined contribution plan. The Group's contribution is recognised as an expense in the statement of profit or loss during the period in which the employee renders the related service and also includes contribution to national pension scheme and overseas social security contribution.

The Group 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 Group'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 Group has following defined benefit plans:

Gratuity: The Group'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 long-term employee benefits

Benefits under the Group's compensated absences are other long term employee benefits. The Group's net obligation in respect of long-term employee benefits other than post-employment benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value, and the fair value of any related assets is deducted. The obligation is measured on the basis of an annual independent actuarial valuation using the projected unit credit method. Remeasurements gains or losses are recognised in statement of profit or loss in the period in which they arise.

l. Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Group 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. 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 Group. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the possibility of an outflow of economic benefits is remote.

m. Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

However, sales tax/ value added tax (VAT)/ Goods and Services Tax (GST) is not received by the Group on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The specific recognition criteria described below must also be met before revenue is recognized.

i. Sale of goods

The Group recognized revenue when (or as) a performance obligation was satisfied, i.e. when 'control' of the goods underlying the particular performance obligation were transferred to the customer.

Further, revenue from sale of goods is recognized based on a 5-Step Methodology which is as follows:

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Unearned or deferred revenue is recognised when there is billings in excess of revenues.

Contracts are subject to modification to account for changes in contract specification and requirements. The Group reviews modification to contract in conjunction with the original contract, basis which the transaction price could be allocated to a new performance obligation, or transaction price of an existing obligation could undergo a change. In the event transaction price is revised for existing obligation, a cumulative adjustment is accounted for.

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 Group and the revenue can be reliably measured. Use of significant judgements in revenue recognition:

- a) The Group's contracts with customers could include promises to transfer products to a customer. The Group assesses the products promised in a contract and identifies distinct performance obligations in the contract. Identification of distinct performance obligation involves judgement to determine the deliverables and the ability of the customer to benefit independently from such deliverables.
- b) Judgment 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. The transaction price is also adjusted for the effects of the time value of money if the contract includes a significant financing component. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product or service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Group allocates the elements of variable considerations to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- c) The Group uses judgment to determine an appropriate standalone selling price for a performance obligation. The Group allocates the transaction price to each performance obligation on the basis of the relative standalone selling price of each distinct product or service promised in the contract.
- d) The Group exercises judgment in determining whether the performance obligation is satisfied at a point in time or over a period of time. The Group considers indicators such as how customer consumes benefits as services are rendered or who controls the asset as it is being created or existence of enforceable right to payment for performance to date and alternate use of such product or service, transfer of significant risks and rewards to the customer, acceptance of delivery by the customer, etc.

iii. Other income

- a. Dividend income is recognised in statement of profit or loss on the date on which the Group's right to receive payment is established.
- b. 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 Group 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.

n. Leases**Policy applicable before April 1, 2019****i. Determining whether an arrangement contains a lease**

At inception of an arrangement, it is determined whether the arrangement is or contains a lease.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values. If it is concluded for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. The liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the incremental borrowing rate.

ii. Assets held under leases

Leases of property, plant and equipment that transfer to the Group substantially all the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to similar owned assets.

Assets held under leases that do not transfer to the Group substantially all the risks and rewards of ownership (i.e. operating leases) are not recognised in the Group's Balance Sheet.

iii. Lease payments

Payments made under operating leases are generally recognised in statement of profit or loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases.

Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Minimum lease payments made under finance leases are apportioned between the finance charge and the reduction of the outstanding liability. The finance charges is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

iv. Assets given on lease

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Policy applicable after April 1, 2019

The Group has adopted Ind AS 116 effective from April 1 2019 using modified retrospective approach. For the purpose of preparation of Consolidated Financial Information, management has evaluated the impact of change in accounting policies required due to adoption of Ind AS 116 for year ended March 31 2020.

The Group has used number of practical expedients when applying Ind AS 116: - Short-term leases, leases of low-value assets and single discount rate. The Group applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date. The Group's leases mainly comprise land and buildings.

i. Determining whether an arrangement contains a lease

The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right

to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified assets, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the assets.

ii. Assets held under leases

As a lessee, the Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The **right-of-use asset** is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

iii. Lease liabilities

The **lease liability** is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. Lease payments included in the measurement of the lease liability comprise the fixed payments, including in substance fixed payments. The lease liability is measured at amortised cost using the effective interest method.

iv. Short term leases and low value leases

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense on a straight line basis over the lease term.

v. Assets given on lease

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

o. Income tax

Income tax comprises current and deferred tax. Current tax expense is recognized in statement of profit or 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 or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax 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 Holding 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 Group 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 Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

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

Minimum Alternative Tax ("MAT") expense under the provisions of the Income-tax Act, 1961 is recognised as an asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Group and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Group becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is written down to reflect the amount that is reasonably certain to be set off in future years against the future income tax liability. MAT Credit Entitlement is presented as part of deferred tax in the balance sheet.

p. 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 Group's Management to allocate resources to the segments and assess their performance.

The Board of Directors is collectively the Holding Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108.

In addition to the significant accounting policies applicable to the segments as set out in note 2 of notes forming part of the financial statement, the accounting policies in relation to segment accounting are as under :-

i) Segment assets and liabilities

All segment assets and liabilities have been allocated to the various segments on the basis of specific identification. Segment assets consist principally of fixed assets, capital work in progress, inventories, trade receivables, other financial and non-financials assets and loans. Segment assets do not include unallocated corporate assets, investments, advance tax and other assets not specifically identifiable with any segment.

Segment liabilities include all operating liabilities and consist principally of trade payables and accrued liabilities. Segment liabilities do not include borrowings and those related to income taxes.

ii) Segment revenue and expenses

Segment revenue and expenses are directly attributable to the segment and have been allocated to various segments on the basis of specific identification. Segment revenue does not include interest income and other income in respect of non-segmental activities. Segment expenses do not include depreciation on unallocated corporate fixed assets, interest expense, tax expense and other expenses in respect of non-segmental activities.

iii) Inter segment sales

Inter-segment sales are accounted for at cost and are eliminated in consolidation.

q. 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.

r. Earnings per share

Basic earnings per equity share is computed by dividing:

- the net profit attributable to equity shareholders of the Group
- by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.
- Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:
- the after income tax effect of interest and other financing costs 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.

s. 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 take a substantial period of time to get ready for their 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.

t. Finance expense

Finance expenses comprises of interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest cost) incurred in connection with the borrowings of funds. Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognized in the statement of profit and loss using the effective interest method.

u. 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 Group will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within 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 statement of profit or 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.

v. Research and development expenses

Expenditure on research is expensed off under the respective heads of account in the period in which it is incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised, if the cost can be reliably measured, the product or process is technically and commercially feasible and the Group has sufficient resources to complete the development and right to use the asset. The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads that are directly attributable to preparing the asset for its intended use. Other development expenditure is recognised in the statement of profit or loss as an expense as incurred.

Capitalised development expenditure is stated at cost less accumulated amortisation and impairment losses. Property, plant and equipment used for research and development are depreciated in accordance with the Group's policy as stated above.

Materials identified for use in research and development process are carried as inventories and charged to the statement of profit or loss on consumption of such materials for research and development activities.

w. Foreign currency transactions and translation

Transactions in foreign currencies are translated into the respective functional currencies of the Group 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 statement of profit or loss.

The Group 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 statement of profit or loss.

x. Foreign operations

The assets and liabilities of foreign operations are translated into INR, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transaction or an average rate if the average rate approximates the actual rate at the date of the transaction.

In accordance with Ind AS 101, the Group has elected to deem foreign currency translation differences that arose prior to the date of transition to Ind AS, i.e. April 1, 2016, in respect of all foreign operations to be nil at the date of transition. From April 1, 2016 onwards, such exchange differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation).

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

(Rupees in lakh)

Particulars	Freehold land	Buildings	Lease hold improvements	Plant and equipment	Furniture and fittings	Office equipment	Vehicles	Total	Capital work-in-progress
Gross carrying value at cost									
As at April 01, 2020	506.15	1,413.08	18.45	9,748.71	43.48	128.87	327.95	12,186.69	7.25
Add: Additions made during the year	-	-	-	6.28	2.71	-	-	8.99	-
Less: Disposals / adjustments during the year	-	(21.43)	-	(5.35)	(0.34)	(2.91)	(56.58)	(86.62)	-
As at March 31, 2021	506.15	1,391.65	18.45	9,749.64	45.85	125.96	271.37	12,109.06	7.25
Add: Additions made during the year	-	17.16	-	14.12	-	0.32	-	31.60	-
Less: Disposals / adjustments during the year	-	(94.82)	-	(4.35)	(4.29)	(7.08)	(123.50)	(234.04)	(7.25)
As at March 31, 2022	506.15	1,313.99	18.45	9,759.41	41.56	119.20	147.87	11,906.63	-
Accumulated depreciation									
As at April 01, 2020	-	175.00	14.48	5,773.00	16.74	73.08	171.99	6,224.29	-
Add: Depreciation expense for the year	-	48.46	2.12	742.69	4.95	14.63	43.29	856.14	-
Less: On disposals / adjustments during the year	-	(2.11)	-	(4.50)	-	(1.53)	(40.31)	(48.44)	-
As at March 31, 2021	-	221.35	16.60	6,511.19	21.69	86.17	174.97	7,031.96	-
Add: Depreciation expense for the year	-	49.23	-	682.08	4.27	11.93	21.50	769.01	-
Less: On disposals / adjustments during the year	-	(8.39)	-	(3.57)	(3.60)	(5.93)	(100.14)	(121.63)	-
As at March 31, 2022	-	262.19	16.60	7,189.70	22.36	92.15	96.33	7,679.32	-
Net carrying value									
As at March 31, 2022	506.15	1,051.81	1.85	2,569.71	19.20	27.05	51.54	4,227.31	-
As at March 31, 2021	506.15	1,170.30	1.85	3,238.45	24.16	39.79	96.40	5,077.10	7.25

- (i) Refer note 18, 19 and 21 for information on property, plant and equipments hypothecated/mortgaged as security by the Group.
- (ii) Building having carrying value of Rs. 362.99 lakh (March 31, 2021: Rs. 345.83 lakh) is not to be registered in the name of the Holding Company details as below:

Description of Property	Gross carrying value	Net carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company
Building	362.99 lakh	339.19 lakh	Purearth infrastructure Limited	Joint Venture of the Company	From 2019 onwards	Due to liquidity issue. The matter is in process.

- (iii) Refer note 41 (a) for disclosure of capital commitments for the acquisition of property, plant and equipment.

CWIP ageing schedule

(Rupees in lakh)

CWIP	Amount in CWIP for a period of				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in Progress					
As at March 31, 2022	-	-	-	-	-
As at March 31, 2021	-	-	7.25	-	7.25

As on the date of the balance sheet, there are no capital work-in-progress projects whose completion is overdue or has exceeded the cost, based on approved plan.

4. Intangible assets and Right to use assets

(Rupees in lakh)

Particulars	Software	Right of use assets	Total
Gross carrying value at cost			
As at April 01, 2020	136.25	236.37	372.62
Add: Additions during the year	-	-	-
Less: Disposals / adjustments during the year	(1.20)	(29.98)	(31.18)
As at March 31, 2021	135.04	206.39	341.44
Add: Additions during the year	-	-	-
Less: Disposals / adjustments during the year	(0.04)	-	(0.04)
As at March 31, 2022	135.00	206.39	341.39
Accumulated amortisation/depreciation			
As at April 01, 2020	102.57	74.70	177.27
Add: Amortisation expense for the year	16.06	52.11	68.17
Less: On disposals/adjustments during the year	(1.20)	(11.97)	(13.17)
As at March 31, 2021	117.43	114.84	232.27
Add: Amortisation expense for the year	10.16	34.34	44.50
Less: On disposals/adjustments during the year	(0.05)	-	(0.05)
As at March 31, 2022	127.54	149.18	276.72
Net carrying value			
As at March 31, 2022	7.46	57.21	64.67
As at March 31, 2021	17.61	91.55	109.17

Ind AS 116 Disclosure

The right of use of assets during the year represent the Group's lease assets primarily consisted of leases for land and buildings for offices and warehouses having various lease terms . The Group also has certain leases with lease term of 12 months or less. The Group applies the short-term lease recognition exemption for these leases.

Set out below are the carrying amounts of lease liabilities and the movements thereof:

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	105.56	173.03
Accretion of interest	10.91	15.97
Deletions	-	(21.06)
Payments	(44.60)	(62.38)
Closing Balance	71.87	105.56
Current	39.22	33.70
Non-current	32.65	71.87

The following are the amounts recognised in the statement of profit and loss:

(Rupees in lakh)

Leases under Ind AS 116	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation expense of right of use assets	34.34	52.11
Interest expense on lease liabilities	10.91	15.97
Expense relating to leases of short-term / low value assets (included in other expenses)	45.32	22.82
Total amount recognised in statement of profit and loss	90.57	90.90

Amounts recognised in statement of cash flows:

(Rupees in lakh)

Right of use assets separate disclosure	For the year ended March 31, 2022	For the year ended March 31, 2021
Financing activities		
Repayment of principal	33.70	67.48
Repayment of interest	10.91	15.97
Operating activities		
Short term / low value assets lease payment	45.32	22.82
Total cash outflow for leases	89.92	106.27

5. Investments - Non-current

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Investments in equity shares of Joint venture using equity method of accounting (unquoted)		
Purearth Infrastructure Limited # \$	1,099.35	581.73
17,853,605 (March 31, 2021: 17,853,605) equity shares of face value of Rs. 10 each, fully paid up		
Total Non- Current Investments	<u>1,099.35</u>	<u>581.73</u>
Aggregate carrying value of unquoted investments	1,099.35	581.73
Aggregate amount of provision for impairment in value of Investments	2,986.18	2,986.18
# In terms of SORA (refer note 38), the Holding Company will not dispose off its shareholding in Purearth Infrastructure Limited until the completion of the land development project at Bara Hindu Rao/ Kishan Ganj, Delhi.		
\$ Net of profit/loss accounted as per equity method.		

6. Other financial assets - Non-current

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<i>(Unsecured, considered good)</i>		
Deposits with maturity for more than twelve months including interest	55.24	3.62
Security deposits for utilities	196.89	195.94
Total	<u>252.13</u>	<u>199.56</u>

Note:

- (i) Bank deposits include Rs. 5.24 lakh (March 31, 2021: Rs. 3.62 Lakh) held as margin money
- (ii) The Group's exposure to credit and currency risks, and loss allowance related to non-current financial assets are disclosed in **note 46**.

Notes to the consolidated financial statements for the year ended March 31, 2022 continued

7. **Non-current tax assets (net)** (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance income tax (net of provision)	396.79	364.71
Total	396.79	364.71

8. **Other non-current assets** (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<i>(Unsecured, considered good)</i>		
Capital advances		
To related party (Refer note 43)	2.84	47.21
Others (Refer note 40)	420.00	424.63
Deferred rent	0.77	1.74
Balances with government authorities	135.03	122.77
Other advances		
To related party (Refer note 43)	179.89	179.89
Others	3.81	4.19
<i>Unsecured, Considered doubtful</i>		
Other advances	502.18	502.18
	1,244.52	1,282.61
Less: Loss allowance for doubtful advances	(502.18)	(502.18)
Total	742.34	780.43

9. **Inventories** (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<i>(Valued at cost or net realisable value, whichever is lower)</i>		
Raw materials	153.95	153.95
Work-in-progress	26.47	67.13
Finished goods	-	-
Stores and spares	878.55	1,093.38
Total	1,058.97	1,314.46

(i) Refer note 18 and 21 for information of inventory pledged/ hypothecated as security by the Group.

10. Trade receivables

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<i>(Unsecured)</i>		
Considered good	1,536.64	1,031.67
Considered doubtful	-	71.38
	<u>1,536.64</u>	<u>1,103.05</u>
Less : Allowance for doubtful trade receivables	-	(71.38)
	<u>1,536.64</u>	<u>1,031.67</u>
Total	1,536.64	1,031.67

Trade receivable ageing schedule

Particulars	Outstanding for following periods from due date of payments					Total
	Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022						
(i) Undisputed Trade receivables-Considered Good	1,518.05	2.81	1.88	13.89	-	1,536.64
(ii) Undisputed Trade receivables which have significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade receivables -credit impaired	-	-	-	-	-	-
Total	1,518.05	2.81	1.88	13.89	-	1,536.64
Less: Allowance for doubtful trade receivables	-	-	-	-	-	-
Total	1,518.05	2.81	1.88	13.89	-	1,536.64
As at March 31, 2021						
(i) Undisputed Trade receivables-Considered Good	1,012.91	-	18.64	0.12	-	1,031.67
(ii) Undisputed Trade receivables which have significant increase in credit risk	-	-	23.75	-	-	23.75
(iii) Undisputed Trade receivables -credit impaired	-	-	47.64	-	-	47.64
Total	1,012.91	-	90.03	0.12	-	1,103.06
Less: Allowance for doubtful trade receivables	-	-	(71.39)	-	-	(71.39)
Total	1,012.91	-	18.64	0.12	-	1,031.67

The Group's exposure to credit and currency risks, and loss allowance related to trade receivables are disclosed in **note 46**.

11. Cash and cash equivalents

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Balances with banks		
- In current accounts	532.06	304.11
Bank deposits with original maturity of three months or less	295.00	120.00
Cash on hand	0.86	2.67
Total	827.92	426.78

12. Bank balances other than cash and cash equivalents above (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Unclaimed dividend	18.90	37.58
Bank deposit with maturity between 3 to 12 months*	501.91	493.86
Total	520.81	531.44

*Bank deposits includes margin money deposits with bank/earmarked for specific use

The Group's exposure to credit risk, liquidity risks and currency risk are disclosed in **note 46**.

13. Loans - Current (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<i>(Unsecured, considered good)</i>		
Loans to employees	19.13	24.29
Total	19.13	24.29

No loans are due by directors or other officers of the Company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or director or a member.

The Group's exposure to credit and currency risks, and loss allowance related to current financial assets are disclosed in **Note 46**.

14. Other financial assets - Current (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<i>(Unsecured, considered good)</i>		
Interest accrued on fixed deposit	5.86	5.46
Interest accrued on Security deposits	28.68	28.68
Unbilled revenue	199.19	116.31
Finance lease receivable (refer note 36)	-	5.23
Other receivable		
- From related party (refer note 43)	-	7.75
- From others on sale of right in flats	242.66	-
Total	476.39	163.43

The Group's exposure to credit and currency risks, and loss allowance related to current financial assets are disclosed in **Note 46**.

Notes to the consolidated financial statements for the year ended March 31, 2022 continued

15. Other current assets

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<i>(Unsecured, considered good)</i>		
Advance to related party (Refer note 43)	-	1,487.74
Advances to suppliers	7.62	21.54
Prepaid expenses	42.96	48.92
Balance with statutory/government authorities	135.50	116.80
Deferred rent	0.98	0.99
Others receivables *	19.19	19.19
Total	206.25	1,695.18

*include amount pertaining to railway dispute against High court order of Rs 18.57 lakh (March 31, 2021 Rs 18.57 lakh) (Refer note 41(b))

16. Equity share capital

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
a) Authorised		
6,39,99,000 (March 31, 2021: 6,39,99,000) equity shares of Rs. 10 each	6,399.90	6,399.90
100 (March 31, 2021: 100) 13.5% redeemable cumulative preference shares of Rs. 100 each	0.10	0.10
320,000 (March 31, 2021: 320,000) 6th cumulative redeemable cumulative preference shares of Rs. 25 each	80.00	80.00
3,680,000 (March 31, 2021: 3,680,000) preference shares of Rs. 25 each	920.00	920.00
1,000,000 (March 31, 2021: 1,000,000) cumulative preference shares of Rs. 100 each	1,000.00	1,000.00
	8,400.00	8,400.00
b) Issued, subscribed and fully paid-up		
18,677,749 (March 31, 2021: 18,677,749) equity shares of Rs. 10 each fully paid-up	1,867.77	1,867.77
	1,867.77	1,867.77

c) Reconciliation of the number of shares outstanding and the amount of equity share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
At the commencement of the year	1,86,77,749	1,867.77	1,86,77,749	1,867.77
Add: Shares issued during the year	-	-	-	-
At the end of the year	1,86,77,749	1,867.77	1,86,77,749	1,867.77

d) Terms, rights, preferences and restrictions attached to equity shares:

The Holding Company has issued one class of equity shares having par value of Rs. 10 each per share. Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Holding Company. In the event of liquidation of the Holding Company, holder of equity shares will be entitled to receive remaining assets of the Holding Company after distribution of all preferential amount. The distribution will be in proportion to the number of shares held by shareholder.

e) Details of shareholders holding more than 5% of equity shares

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	% of holding	Number of shares	% of holding
Mr. Sumant Bharat Ram	90,56,932	48.49%	90,56,932	48.49%
Mr. Ved Prakash Agarwal	16,42,905	8.80%	-	-
Life Insurance Corporation of India	11,22,202	6.01%	11,32,850	6.07%

(f) In the period of five years immediately preceding March 31, 2022

Details of shares issued for consideration other than cash :

The Company had allotted 12,98,712 equity shares during the financial year ended March 31, 2017 pursuant to the scheme of amalgamation of DCM Engineering Limited with the Company to the shareholders of DCM Engineering Limited without any consideration being received in cash.

g) Details of Promoters' Shareholding and changes during the year

Promoter Name	As at March 31, 2022		As at March 31, 2021		% change during the year
	Number of shares	% of holding	Number of shares	% of holding	
Mr. Sumant Bharat Ram	90,56,932	48.49%	90,56,932	48.49%	NIL
Mr. Yuv Bharat Ram	4,800	0.03%	4,800	0.03%	NIL
Mr. Rahil Bharat Ram	4,852	0.03%	4,852	0.03%	NIL
Mr. Hemant Bharat Ram	50	0.00%	50	0.00%	NIL

17. Other equity**(Rupees in lakh)**

Particulars	As at March 31, 2022	As at March 31, 2021
Securities premium	1,061.19	1,061.19
Reserve fund	-	0.27
Capital reserve	25.40	265.28
Special reserve	-	29.96
Capital redemption reserve	130.10	130.10
Other Comprehensive income	-	61.02
Deficit in statement of profit and loss	(1,890.65)	(5,322.27)
	(673.96)	(3,774.46)
Securities premium		
As at beginning and end of the year	1,061.19	1,061.19

Notes to the consolidated financial statements for the year ended March 31, 2022 continued

Particulars	As at March 31, 2022	As at March 31, 2021
Reserve fund		
As at beginning of the year	0.27	0.27
Less: Extinguishment of reserves of DCM Finance and Leasing Ltd.*	0.27	-
As at end of the year	<u>-</u>	<u>0.27</u>
Capital reserve		
As at beginning of the year	265.28	265.28
Less: Extinguishment of reserves of DCM Finance and Leasing Ltd.*	(239.88)	-
As at end of the year	<u>25.40</u>	<u>265.28</u>
Special reserve		
As at beginning of the year	29.96	29.96
Less: Transfer to statement of profit and loss	(29.96)	-
As at end of the year	<u>-</u>	<u>29.96</u>
Capital redemption reserve		
As at beginning and end of the year	130.10	130.10
Other Comprehensive income		
As at beginning of the year	61.02	61.02
Less: Transfer to statement of profit and loss	(61.02)	-
As at end of the year	<u>-</u>	<u>61.02</u>
Surplus in Statement of Profit and Loss		
As at beginning of the year	(5,322.27)	(3,610.58)
Add: Other comprehensive income for the year	83.97	72.42
Add: Transfer from other comprehensive income (exchange difference)	61.02	-
Add (less) : Profit (loss) for the year	3,016.53	(1,784.11)
Add: Transfer from special reserve	29.96	-
Less: extinguishment of reserves of DCM Finance and Leasing Ltd.*	240.16	-
As at end of the year	<u>(1,890.63)</u>	<u>(5,322.27)</u>

Nature and purpose of reserve:

- a) **Capital redemption reserve**
Capital redemption reserve was created on account of buyback of shares as per the requirements of Companies Act, 1956.
- b) **Securities Premium reserve**
Securities premium account is used to record the premium on issue of shares. This amount is utilised in accordance with the provisions of the Companies Act, 2013.
- c) **Capital reserve**
Capital reserve pertains to government grants received in earlier years for Plant and equipment for the Textile Division of the Group. The assets against the said grant have been fully depreciated.
- d) **Reserve Fund**
Created as per requirements of Income Tax Act, 1961
- e) **Special reserve**
Created as per requirements of Reserve Bank of India Act, 1934
- f) **Retained Earnings**
Retained Earnings are the profit/(loss) that the Group has earned till date, less, any transfer to general reserve, any transfer from or to other comprehensive income, dividend or other distribution paid to shareholders.

* The Company is in the process for strike off the name of its subsidiary namely DCM Finance and Leasing Limited.

18. Borrowings - Non-current

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
Term loans		
From banks	377.99	601.06
	<u>377.99</u>	<u>601.06</u>
Less: Current maturities of non-current borrowings	(377.99)	(591.17)
Total non-current borrowings	<u><u>-</u></u>	<u><u>9.89</u></u>

Change in liability arising from financing activities for the year ended March 31, 2022

Particulars	As at April 01, 2021	Repayment	Fair value changes	As at March 31, 2022
Long Term Borrowings (including Current portion)	601.06	(223.07)	-	377.99

Change in liability arising from financing activities for the year ended March 31, 2021

Particulars	As at April 01, 2020	Repayment	Fair value changes	As at March 31, 2021
Long Term Borrowings (including Current portion)	632.86	(31.80)	-	601.06

Repayment terms and security disclosure for the outstanding borrowings :

Secured :-

From banks:

- Rs. Nil (March 31, 2021: Rs. 184.28 lakh) secured by way of first pari passu charge on the Property, Plant and equipment of the Engineering division, both present and future, including equitable mortgage of Engineering division's factory land and building measuring 71 Acre- 07K-18M and second pari passu charge on the entire current assets of the division, both present and future. The said term loan of Rs. 184.28 lakh availed from State Bank of India carrying a floating interest rate ranging between 11.75%- 13.00% per annum has been settled under one time settlement scheme of SBI during the financial year ended March 31, 2022.
- Rs. 200.00 lakh (March 31, 2021: Rs. 200.00 lakh) secured by way of first pari passu charge on the Property, plant and equipment of the Holding Company's Engineering division, both present and future, including equitable mortgage of Engineering division's factory land and building measuring 71 Acre- 07K-18M and second pari passu charge on the entire current assets of the Company, both present and future. The said term loan availed from ICICI Bank Ltd. carries a floating interest rate 10.80% -12.35% per annum. The repayment of instalment aggregating to Rs. 200.00 lakh (March 31, 2021 : Rs. 200.00 lakh) and interest of Rs. 91.11 lakh (March 31, 2021: Rs.46.27 lakh) remained in default as on March 31, 2022 pertaining to the period from January 19, 2020 to March 31, 2022.
- Rs. 177.43 lakh (March 31, 2021: Rs. 177.43 lakh) secured by way of first pari passu charge on the Property, plant and equipment (including immovable assets) of the Engineering Division and second pari passu charge on the entire stock of raw material, work-in-progress, semi-finished and finished goods, consumable stores & spares and such other movables including book debts, bills, whether documentary or clean, both present & future. The term loan availed from HDFC Bank Ltd. carries a floating interest rate @ 11.80% per annum and is repayable in 33 monthly instalments. The repayment of instalment aggregating to Rs. 140 lakh (March 31, 2021: Rs.20.00 lakh) and interest of Rs 48.10 lakh (March 31, 2021: Rs.6.20 lakh) remained in default as on March 31, 2022 pertaining to the period from February 01, 2021 to March 31, 2022.
- Rs. 0.56 lakh (March 31, 2021: Rs. 39.35 lakh) relate to assets purchased under hire purchase/financing arrangements with banks and are secured by way of hypothecation of the specified assets. Repayable in equal monthly instalments. The loans are availed from banking and financial institutions and carry an interest rate ranging between 8.50%-10.50% per annum. There is no continuing default as on the balance sheet date in repayment of loans and interest thereon in respect of these loans.
- The Group's exposure to interest, currency and liquidity risks related to financial liabilities is disclosed in **Note 46**.

19. Other financial liabilities - Non-current (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Other deposits	0.73	0.73
Other Liabilities		
- Payable to related party (Refer note 43)*	1,915.62	1,477.36
- Payable to others	527.44	527.44
Total	2,443.79	2,005.53

* During the previous year ended March 31, 2021, the Holding Company has entered into agreement(s) for purchase of residential units in the project "Amaryllis" being developed by Purearth Infrastructure Limited (Joint Controlled Entity) under joint development agreement with Basant Projects Limited. Payment for the purchase of residential units along with interest is to be made on deferred basis within the period of three years from the date of the allotment of residential units. The arrangement carries interest ranging between 9.25% - 10.50% per annum and is secured by equitable mortgage of 43.65 acres of Company's land situated near Mela Ground Hissar - 125001, Haryana, India.

The Group's exposure to interest, currency and liquidity risks related to non-current financial liabilities is disclosed in Note 46.

20. Provisions - Non-current (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
- Gratuity (Refer note 42)	699.74	805.89
- Compensated absences	124.50	141.64
Total	824.24	947.53

21. Borrowings - Current (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
Loans repayable on demand from banks	1,948.68	2,516.27
Current maturities of non-current secured borrowings from banks (refer note 18)	377.99	591.17
Total	2,326.67	3,107.44

Change in liability arising from financing activities for the year ended March 31, 2022

Particulars	As at April 01, 2021	Repayment/ adjustment	Interest	Fair value changes	As at March 31, 2022
Loans repayable on demand	2,516.27	(849.94)	282.35	-	1,948.68
Total	2,516.27	(849.94)	282.35	-	1,948.68

Change in liability arising from financing activities for the year ended March 31, 2021

Particulars	As at April 01, 2020	Repayment/ adjustment	Interest	Fair value changes	As at March 31, 2021
Loans repayable on demand	2,239.00	-	277.27	-	2,516.27
Total	2,239.00	-	277.27	-	2,516.27

Security against loans repayable on demand

- (i) Cash credit and working capital demand loans facilities from SBI and ICICI Bank aggregating to Rs. 688.68 lakh (March 31, 2021: Rs. 1457.67 lakh) relating to the Company's Engineering division from banks are secured by way of:
- Hypothecation of entire stocks of raw material, work in process, semi-finished goods and finished goods, consumable stores and spares and such other movables including book debts, bills, whether documentary or clean, both present and future
 - Charge on all property, plant and equipment assets, both present and future, including mortgage of factory's land and building located at village Asron, Hadbast No. 418, Tehsil Balachaur District Hoshiarpur, Punjab, measuring 71 Acre- 07K-18M together with all buildings, plant and equipment, erections, godowns and constructions of every description which are standing, erected or attached or shall at any time hereafter during the continuance of the security hereby constituted be erected or attached and standing or attached thereto.
 - The above cash credit facility availed from State Bank of India and ICICI bank, and is overdrawn by Rs. 465.02 lakh (March 31, 2021: Rs.713.79) (including interest) as on balance sheet date. The above account is overdrawn since September 2019.
 - The above cash credit facility availed from SBI amounting to Rs. 849.94 lakh as on April 01, 2021 has been settled under one time settlement scheme of SBI during the financial year ended March 31, 2022.
- (ii) Overdraft facility of Rs. 1260.00 lakh (March 31, 2021: Rs. 1058.60 lakh), availed from HDFC bank, relating to the Company's Engineering division from a bank are secured by way of:
- Land and building located in Kodukanthangal Village and Serkadu Village, Katpadi Sub-Registration District, Vellore Registration District, Vellore District, Tamil Nadu admeasuring 39.02 acres (March 31 2021: 39.02 acre) and land and building located in Rail Mazra Village, Tehsil Balachaur, District Shaheed Bhagat Singh Nagar, Punjab measuring 3.67 acres. (March 31 2021: 3.67 acre) (refer note 44)
 - The above overdraft facility was overdrawn by Rs.260.00 Lakh (March 31, 2021: Rs.58.60 Lakh) (including interest) as on balance sheet date. The above account is overdrawn since December 2020.
- (iii) The above finance facilities carries interest rate ranging between 11.75% - 12.20%

The Company's exposure to interest, currency and liquidity risks related to financial liabilities is disclosed in Note 46.

22. Trade payables - Current

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Trade payables		
Dues to micro and small enterprises **	65.51	2,426.74
Dues to others	1,094.58	3,686.69
	<u>1,160.09</u>	<u>6,113.43</u>

Trade payables ageing schedule

(Rupees in lakh)

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2022					
(i) MSME	22.46	-	6.20	5.57	34.23
(ii) Others	426.77	5.73	583.32	78.76	1,094.58
(iii) Disputed dues-MSME	-	-	12.32	18.96	31.28
Total	449.23	5.73	601.83	103.30	1,160.69

Particulars	Outstanding for following periods from due date of payments				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2021					
(i) MSME	1.38	1,268.40	378.66	2.53	1,650.97
(ii) Others	266.89	1,296.31	209.05	31.90	1,804.15
(iii) Disputed dues-MSME	-	592.09	183.68	-	775.77
(iv) Disputed dues-Others	15.67	1,766.76	97.74	2.38	1,882.54
Total	283.94	4,923.56	869.13	36.80	6,113.43

The Group's exposure to currency and liquidity risks related to financial liabilities is disclosed in **Note 46**.

** Due to Micro, Small and Medium Enterprises:		(Rupees in lakh)	
Particulars	As at March 31, 2022	As at March 31, 2021	
(a) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the year-	50.38	1,763.29	
(b) The interest due thereon remaining unpaid to any supplier as at the end of each accounting year	15.13	666.39	
(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 amount of the payments made to the 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 and	15.13	666.39	
(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 Section 23 of the Micro Small and Medium Enterprises Development Act, 2006.	15.13	666.39	

23. Other financial liabilities - Current (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Unclaimed dividends*	18.90	37.58
Unclaimed matured debentures and interest accrued thereon *	2.65	2.65
Interest accrued and due on borrowings	175.88	215.56
Interest accrued but not due on borrowings	-	0.23
Employee related payable	1,369.76	1,350.38
Earnest Money	1,500.00	-
Liability for Capital goods		
Dues to micro and small enterprises **	-	2.94
Other payable	16.37	16.28
Total	<u>3,083.56</u>	<u>1,625.62</u>

* There is no amount due and outstanding to be credited to Investor Education and Protection Fund as at March 31, 2022 in view of Scheme of restructuring and arrangement (SORA), pursuant to which certain past dues have been rescheduled for payment.

** Refer note no. 22

The Group's exposure to currency and liquidity risks related to financial liabilities is disclosed in **Note 46**.

24. Other liabilities - Current (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Advance from customers	25.45	25.24
Statutory dues payables	102.07	30.40
Other payables	263.39	286.09
Total	<u>390.91</u>	<u>341.73</u>

25. Provisions - Current (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits		
- Gratuity (Refer note 42)	139.48	112.24
- Compensated absences	16.42	10.06
Total	<u>155.90</u>	<u>122.30</u>

26. Current tax liabilities (net) (Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for income tax (net of advance tax)	38.45	98.34
Total	<u>38.45</u>	<u>98.34</u>

27. Revenue from operations (Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of products		
Manufactured goods		
Iron castings	(3.97)	(105.69)
Sale of product license	118.48	109.97
Sale of services	6,748.62	4,579.55
	<u>6,863.13</u>	<u>4,583.83</u>
Other operating revenue		
Scrap Sales	114.12	156.17
	<u>114.12</u>	<u>156.17</u>
Total	<u>6,977.25</u>	<u>4,740.00</u>

Notes to the consolidated financial statements for the year ended March 31, 2022 continued

(Rupees in lakh)

Contract Balances	As at March 31, 2022	As at March 31, 2021
Contract Assets		
Trade receivable	1,536.64	1,031.67
Unbilled revenue	199.19	116.31
Contract Liability		
Advance from Customer	25.45	25.24

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

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Contracted price	6,977.25	4,740.00
Reductions towards variable consideration components	-	-
Revenue recognised	<u>6,977.25</u>	<u>4,740.00</u>

28. Other income

(Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Interest income on financial assets at amortised cost		
- Deposits with bank	1.00	1.26
- Other interest income #	27.96	66.59
Net gain on foreign currency transactions	45.82	-
Profit on sale of property, plant and equipment (net)	2.65	13.64
Income from sale of rights in flats	1,539.40	-
Gain on extinguishment of rights to use asset	-	3.05
Liabilities/provisions no longer required written back	2,110.08	342.83
Finance lease income	0.23	6.64
Miscellaneous income *	10.45	3.55
Total	<u>3,737.59</u>	<u>437.56</u>

* include transactions with related party (refer Note No. 43)

includes interest received on income tax refund Rs.Nil (March 31, 2021: Rs.36.15 lakh)

29. Cost of material consumed

(Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening stock	153.95	154.82
Add: Adjustment	-	(28.86)
	<u>153.95</u>	<u>125.96</u>
Less: Closing stock	153.95	153.95
	<u>-</u>	<u>(27.99)</u>

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30. Changes in inventories of finished goods and work-in-progress (Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<u>Inventories at the end of the year:</u>		
Finished goods	-	-
Work-in-progress	26.47	67.13
Total	<u>26.47</u>	<u>67.13</u>
<u>Inventories at the beginning of the year:</u>		
Finished goods	-	-
Work-in-progress	67.13	91.90
Total	<u>67.13</u>	<u>91.90</u>
Net (increase)/decrease	<u>40.66</u>	<u>24.77</u>

31. Employee benefits expense (Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Salaries, bonus and other allowances	3,524.14	3,133.50
Contribution to provident and other funds	233.46	188.20
Gratuity expense (refer note 42)	115.12	135.82
Staff welfare expenses	12.16	13.31
Total	<u>3,884.88</u>	<u>3,470.83</u>

32. Finance costs (Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
<u>Interest expense on :</u>		
- Borrowings	578.66	856.74
- Lease Liabilities (refer note 4)	10.91	15.97
- Others	0.75	0.07
Total	<u>590.32</u>	<u>872.78</u>

33. Depreciation and amortisation expense (Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Depreciation on property, plant and equipment (refer note 3)	769.01	856.13
Amortisation of intangible assets (refer note 4)	10.16	16.06
Depreciation of right of use asset (refer note 4)	34.34	52.11
Total	<u>813.50</u>	<u>924.30</u>

34. Other expenses (Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Purchase of licence	110.96	104.12
Power, fuel, etc.	34.40	43.24
Rent (refer note : 4)	45.32	22.82
Repair and maintenance		
- Buildings	11.57	7.18
- Machinery	11.46	9.80
- others	64.02	77.91
Subcontracting charges	1,790.00	671.86
Insurance	45.54	47.34
Security charges	40.21	44.89
Rates and taxes	9.12	8.61
Directors' fees	11.45	2.20
Legal and professional fees (refer note (i) below)	115.89	218.85
Travelling and conveyance	27.94	22.97
Expenditure on corporate social responsibility (Refer note 53)	10.27	6.60
Allowance for bad trade and other receivables, loans and advances	9.85	16.51
Bad trade and other receivables, loans and advances written off	68.50	47.92
Less: Provision already held	(68.10)	(2.35)
Loss on finance lease written off	1.49	53.43
Net loss on foreign exchange transactions	-	3.20
Net Loss on translating financial statement of Foreign operations	-	13.53
Inventory store and spares written off	212.07	-
Loss on discard of CWIP	7.25	-
Impairment in value of Investment	0.50	-
Miscellaneous expenses	128.22	142.25
Total	<u>2,687.94</u>	<u>1,562.88</u>
(i) Includes auditors remuneration (excluding taxes) **		
For audit fee and limited review	15.00	15.00
Total	<u>15.00</u>	<u>15.00</u>

** Excluding remuneration of other auditors of subsidiaries Rs. 1.66 lakh (March 2021 : Rs. 1.52 lakh) and audit fee paid by jointly controlled entity (share of joint venture Rs. 3.51 lakh (March 2021 : Rs. 3.98 lakh)) accounted as per equity method

35. Tax expense

(Rupees in lakh)

(a) Income tax expenses in the Statement of Profit and loss consists of:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current income tax	231.30	108.88
Tax adjustment relating to prior years	(33.76)	(13.07)
Deferred tax	0.45	(52.58)
Income tax expense recognised in the Statement of Profit and loss	197.99	43.23

(b) Amounts recognised in other comprehensive income/(expense)

(Rupees in lakh)

	For the year ended March 31, 2022		
	Before tax	Tax (expense) benefit	Net of tax benefit
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit obligations	85.78	(2.46)	83.32
Share in other comprehensive income/(expense) of joint venture (net of tax)	0.65	-	0.65
	<u>86.43</u>	<u>(2.46)</u>	<u>83.97</u>
	For the year ended March 31, 2021		
	Before tax	Tax (expense) benefit	Net of tax benefit
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit obligations	75.36	(2.86)	72.50
Share in other comprehensive income/(expense) of joint venture (net of tax)	(0.08)	-	(0.08)
	<u>75.28</u>	<u>(2.86)</u>	<u>72.42</u>

(c) The reconciliation between the provision of income tax of the Company and the amount computed by applying the statutory income tax rate to profit before tax is as follows:

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Profit/(Loss) for the year	2,697.54	(1,650.01)
Applicable income tax rate (in %)	31.2% & 25.17	29.12%
Tax Expense should be	652.60	(480.48)
Unrecognised tax asset	(521.64)	581.44
Earlier year tax provision	(33.76)	(61.08)
Others	100.79	3.35
Tax as per books	197.99	43.23

(d) Unrecognised tax asset

As at March 31, 2022, the Holding Company has unabsorbed depreciation and business losses under the provisions of the Income-tax Act, 1961. Consequent to the provisions of Ind AS 12 - "Income Taxes", in the absence of reasonable certainty of taxable profits in future years, deferred tax assets have been recognised only to the extent of deferred tax liability. The Company reassess the unrecognised deferred tax assets at each reporting period and recognise the deferred tax assets over its deferred tax liability when it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are attributable to the following:

Deferred tax assets		(Rupees in lakh)	
Particulars	As at March 31, 2022	As at March 31, 2021	
Property, plant and equipment	55.36	-	
Provision for gratuity and compensated absences	333.95	366.07	
Unabsorbed depreciation	3,759.99	1,084.52	
Business loss	101.00	3,765.98	
Provision for trade receivables and other advances	4.38	21.81	
Other items	3.80	3.61	
Deferred tax assets	4,257.48	5,241.99	
Deferred tax liabilities			
Particulars	As at March 31, 2022	As at March 31, 2021	
Property, plant and equipment	-	18.80	
Deferred tax liabilities	-	18.80	
Net deferred tax asset (liabilities)			
Particulars	As at March 31, 2022	As at March 31, 2021	
Property, plant and equipment	54.36	(18.80)	
Provision for gratuity and compensated absences	333.95	366.07	
Unabsorbed depreciation	3,759.99	1,084.52	
Business loss	101.00	3,765.98	
Provision for trade receivables and other advances	4.38	21.81	
Other items	3.80	3.61	
Net deferred tax assets (liabilities)	4,257.48	5,223.19	

MAT credit for which no MAT credit entitlement recognised expire as follows:

As at March 31, 2022		As at March 31, 2021	
Amount	Expiry year	Amount	Expiry year
120.79	2025-26	120.79	2025-26
419.47	2026-27	419.47	2026-27
8.22	2027-28	8.22	2027-28
18.77	2029-30	18.77	2029-30
31.56	2034-35	31.56	2034-35

36. Leases**Finance leases****Leases as a lessor**

The group has classified the arrangement with the customers wherein the patterns/tooling/moulds are lease out in the nature of lease based on the principles enunciated in relevant standard and accounted for as finance lease in accordance with those principles.

The agreement with the customers is for a period of 3 to 15 years.

(Rupees in lakh)

	As at March 31, 2022		As at March 31, 2021	
	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
Not later than one year	-	-	5.53	5.23
Later than one year and not later than five years	-	-	-	-
Later than five years	-	-	-	-
Total minimum lease payments	<u>-</u>	<u>-</u>	<u>5.53</u>	<u>5.23</u>
Less: amounts representing unearned finance income	-	-	0.30	-
Present value of minimum lease payments	<u>-</u>	<u>-</u>	<u>5.23</u>	<u>5.23</u>

37. Earnings per share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Net profit/(loss) attributable to equity shareholders (Rs. In lakh)	3,016.53	(1,784.11)
Weighted average number of equity shares in calculating Basic EPS	1,86,77,749	1,86,77,749
Weighted average number of equity shares in calculating Diluted EPS	1,86,77,749	1,86,77,749
Basic and Diluted earning per share in rupees (face value per equity share Rs. 10 each)	16.15	(9.55)

38. Restructuring

After considering the effect of Scheme of Restructuring and Arrangement approved by the Delhi High Court vide its order dated October 29, 2003 under section 391-394 of the Companies Act, 1956 (Act) and subsequent modification thereto vide Delhi High Court order dated April 28, 2011 (hereinafter referred to as SORA), the Company had complied with the debt repayment obligations including in respect of debentures, deposits, loans and related interest and where such amount has not been claimed by the concerned party, deposited an equivalent amount into a 'No Lien /Designated Account' with scheduled banks. Aggregate of amount so deposited as at the year-end is Rs. 2.65 lakh (March 31, 2021: Rs. 2.65 lakh). All unclaimed fixed deposits, debentures, or interest thereon have already been transferred to the Investor Education and protection Fund (IEPF) established by the Central Govt.

39. Amalgamation and demerger Scheme

- a) Board of Directors of the Company in its meeting held on November 28, 2019 have approved a composite scheme of arrangement for transfer of its "Engineering Business undertaking" to its wholly owned subsidiary namely DCM Engineering Limited (formerly known as DCM Tools and Dies Limited), on a going concern basis with effect from the appointed date of October 01, 2019 and restructuring of outstanding loans, debts and liabilities of the Engineering Business Undertaking. The filing of Scheme for seeking approval from Hon'ble National Company Law Tribunal (NCLT) under Section 230 – 232 of the Companies Act, 2013 remained pending awaiting in principle approval of secured lenders (Banks). The Company has been taking necessary steps for the settlement/restructuring of dues of these secured lender(s).

The Company has received certain recovery notices/petitions from the creditors and the bankers who have provided working capital/terms loan facilities to the Engineering Division of the Company. A Bank has filed a suit for recovery and served demand notice u/s 13(2) under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) which has been duly replied. The other two bankers have agreed with the Company for one time settlement (OTS) of their dues. The Company has repaid the OTS dues of one of the bankers and is in process to comply with the terms of OTS agreed with the other banker.

Notes to the consolidated financial statements for the year ended March 31, 2022 continued

The banking operation of current account(s) maintained by the Holding Company has been discontinued by the Bankers in view of notification of RBI restricting opening/operation of current account by customers who have availed Cash Credit / Overdraft facilities. The Holding Company has been taking necessary steps in this regard. This has adversely impacted the ability of the Company to run its day-to-day operations as its cash credit/overdraft accounts are classified as NPA. In view of above, as an interim measure, the day-to-day banking transaction of payment for statutory dues/overheads and/or other critical payments and also the receipts are facilitated by the Company through its one of the wholly owned subsidiary.

Pursuant to the restructuring scheme approved by the Board of the Company, the settlement of all such creditors and bank has already been provided for in the said Scheme. In addition to the said Restructuring Scheme mentioned above, the Company is in process for development of its 68.35 acres of land at Hissar and signed a non-binding Term-Sheet with a party which is subject to signing of definitive agreement (s) and fulfillment of other terms and conditions as on 31st March, 2022. The Company is also taking interim measures to improve liquidity including proposed Right Issue of equity shares approved by the Board in its meeting held on February 12, 2021, to augment capital and expedite to complete the de-leveraging of the Company.

Since, the aforesaid Scheme is subject to approval from concerned regulatory authorities which is considered to be substantive, the accounting effect of the above Scheme has not been considered in these consolidated financial results.

40. Capital advances includes Rs. 420.00 lakh (March 31, 2021: Rs. 420.00 lakh) to acquire certain property under construction at New Delhi. The construction was a matter of litigation between the builder and the local authorities. The High Court of Delhi has allowed the builder to construct the property subject to certain conditions. During the financial year 2019-20, Company had received back advance of Rs. 450.00 lakh as decided in the arbitration proceedings and the management is fully confident that the remaining balance paid to acquire the property is good and fully recoverable.

41. Contingent liabilities, contingent assets and commitments

a) Commitments

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Capital commitments	-	25.08

b) Contingent liabilities not provided for:

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Claims not acknowledged as debts: *		
- Excise claims	0.50	0.50
- Sales tax matters/ VAT	618.03	618.03
- Income-tax matters	544.67	644.37
- Customs duty	12.55	12.55
- Employees' claims (to the extent ascertained)	64.70	64.70
- Others #	110.38	91.81

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

Includes Deposit made vide High Court order for claims filed by railway Rs. 18.57 lakhs (March 31, 2021 Rs.18.57 lakhs) (Refer Note 15)

- (i) There are no undisputed dues of wealth tax and service tax which have not been deposited by the Group. The details of disputed dues as of March 31, 2022 in respect of customs duty, income tax, excise duty and sales tax/ PVAT that have not been deposited by the Group, are as follows:

Name of the statute	Nature of dues	Amount Involved * (Rs. in lakh)	Amount paid under protest (Rs. in lakh)	Period to which amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty	0.50	-	2002-03, 2003-04	Supreme court
Punjab VAT Act, 2005	Sales tax	218.17	15.50	Financial Year 2012-13	Punjab VAT Appellate Tribunal
		146.96	36.75	Financial Year 2011-12	
		130.25	35.09	Financial Year 2010-11	
		122.65	12.27	Financial Year 2013-14	Deputy Commissioner (Appeals)

* amount as per demand orders including interest and penalty wherever indicated in the demand.

Notes to the consolidated financial statements for the year ended March 31, 2022 continued

For the above purposes, statutory dues payable in India have been considered. Further, the demands raised and already set off by the Income-tax Authorities against the carried forward losses of the Group, being no longer due for payment, have not been considered.

- (ii) The following matters which have been decided in favour of the Company, although the concerned regulatory authority has preferred an appeal at a higher level:

Name of the statute	Nature of dues	Amount involved (Rs. in lakh)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	442.48	Financial Year 1982-83 to 1989-90	ITAT refer back to AO
		66.08	Financial Year 2011-12	High court
		36.11	Financial Year 2015-16	Income tax appellate tribunal

- (iii) The Company has been regular in transferring amounts to the Investor Education and Protection Fund after considering SORA, pursuant to which certain past dues have been rescheduled for repayment.
- (iv) There are numerous interpretative issues relating to the Supreme Court (SC) judgement dated February 28, 2019 on Provident Fund (PF) on the inclusion of allowances for the purpose of PF contribution as well as its applicability of effective date. The Company will evaluate its position and act, as clarity.

42. Employee benefits

A Defined contribution plans

Contributions to defined contribution plans charged off for the year are as under:

(Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Group's contribution to provident fund	59.52	60.00
Group's contribution to superannuation fund	0.71	3.10
Group's contribution to employees' state insurance	0.59	0.41
Group's contribution to social security	122.21	87.98
Group's contribution to Medicare	29.57	20.58
Group's contribution to NPS	6.19	6.06
Total	218.79	178.13

B Defined benefit plans

The Group operates the following post-employment defined benefit plans:-

The Group operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days of total basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Group on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act.

Liability with regards to Gratuity is accrued based on actuarial valuation at the balance sheet date, carried out by independent actuary.

The following table set out the status of the defined benefit obligation

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Defined benefit liability- Gratuity	839.22	918.13
Total employee benefit liabilities		
Non-current	699.74	805.89
Current	139.48	112.24
Total	839.22	918.13

For details about the related employee benefit expenses, refer note 31.

i) Reconciliation of the defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the defined benefit liability and its components

Particulars	(Rupees in lakh)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance at the beginning of the year	918.13	1,067.83
Current service cost	52.78	57.91
Interest cost	62.34	72.52
Actuarial (gains) losses recognised in other comprehensive income/(expense)	(85.78)	(75.36)
Benefits paid	(108.24)	(204.77)
Balance at the end of the year	839.22	918.13
Non-current	699.74	805.89
Current	139.48	112.24

ii) Expense recognized in Statement of profit and loss

(Rupees in lakh)

Particulars	(Rupees in lakh)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	52.78	57.91
Interest cost	62.34	72.52
Net cost	115.12	130.43

iii) Remeasurements recognized in other comprehensive income/(expense)

(Rupees in lakh)

Particulars	(Rupees in lakh)	
	For the year ended March 31, 2022	For the year ended March 31, 2021
Actuarial gain/(loss) on defined benefit obligation	85.78	75.36
	85.78	75.36

iv) Actuarial assumptions

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

(Rupees in lakh)

Particulars	(Rupees in lakh)	
	As at March 31, 2022	As at March 31, 2021
Financial assumptions		
Discount rate	7.13%	6.79%
Future salary growth	6.00%	6.00%
Retirement age	58 years	58 years
Mortality table	IALM (2012-14)	IALM (2012-14)
Withdrawal rate		
Upto 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

As at March 31, 2022, the weighted average duration of the defined benefit obligation was 11.82 - 14.85 year (March 31, 2021 : 12.60-14.85 year)

Expected contributions to post-employment benefit plans for the year ending March 31, 2022 are Rs. 91.07 lakh (March 31, 2021: 99.52 lakh)

v) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(Rupees in lakh)

Particulars	As at March 31, 2022		As at March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50%)	(31.83)	34.28	(34.70)	37.39
Future salary growth (0.50%)	34.48	(32.31)	37.49	(35.11)

Although the analysis does not take into account of the full distribution of cash flows expected under the plan, it does not provide an approximation of the sensitivity of the assumptions shown.

vi) 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 lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Year 1	139.50	112.24
Year 2	87.83	127.27
Year 3	59.96	85.11
Year 4	33.11	57.54
Year 5	34.84	33.59
Next 6	22.88	34.92
Next to 6 years	461.09	467.46

vii) Description of Risk Exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group is exposed to various risks as follow-

- Interest risk: The present value of the defined benefit plan liability (denominated in Indian Rupee) is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
- Longevity risk: The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
- Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

43. Related party disclosures:

In accordance with the requirements of Ind AS 24 on Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are:

A. Name and description of relationship of the related party**Joint controlled entity**

- Purearth Infrastructure Limited

Subsidiaries of Joint controlled entity

2. Kalptru Realty Private Limited
3. Kamayani Facility Management Private Limited
4. Viganharta Estates Private Limited

Key management personnel, directors and/or individuals having direct or indirect control or significant influence, and their relatives:

5. Mr. Sumant Bharat Ram - Promoter
6. Mr. Yadvinder Goyal - Company Secretary (from November 13, 2021)
7. Mr. Sanjeev Kumar - Company Secretary (from June 29, 2021 to November 12, 2021)
8. Mr. Vimal Prasad Gupta - Company Secretary (upto 09.06.2021)
9. Mr. Ashwani Singhal – Chief Financial Officer
10. Mr. Jitendra Tuli –Managing Director
11. Mr. Dinesh Dhiman - Whole Time Director (upto December 12, 2020)
12. Mr. Bipin Maira - Independent Director
13. Mr. Vinay Sharma - Whole Time Director
14. Dr. Kavita A. Sharma - Independent Director
15. Mr. Sudhir Kumar Jain - Independent Director
16. Mr. Shyam Sunder Sharma - Additional Director
17. Mr. Ravi Vira Gupta - Independent Director (upto August 27, 2020)

Other Entities

18. DCM Engineering Products Educational Society
19. DCM Limited Superannuation Trust
20. DCM Employees Welfare Trust

Other Entities in which Individuals described in Sr. 5 above have direct or indirect control

21. Juhi Developers Private Limited
22. Teak Farms Private Limited
23. Unison International IT Services Limited
24. Aggresar Leasing and Finance Private Limited
25. Atlantic Commercial Company Limited
26. Calipro Real Estates Private Limited
27. Shreshtha Real Estates Private Limited

B. Transactions with related parties:

(Rupees in lakh)

Name of Related Party and Nature of Relationship	Nature of Transaction	For year ended March 31, 2022	For year ended March 31, 2021
Joint Controlled Entity			
Purearth Infrastructure Limited	Building Maintenance, Electricity and other expenses (net)	14.96	8.19
	Paid balance amount against building	10.31	-
	Purchase of rights in Residential Flats	278.65	1,487.74
	Payable for purchase of rights in flats (including Interest)	438.27	1,477.35
Key Management Personnel *			
Mr. Yadvinder Goel	Short term employee benefits	2.29	-
Mr. Dinesh Dhiman	Short term employee benefits	-	16.74
	Post-Employment benefits - Gratuity	-	6.58
	Other long term benefits - Compensated absences	-	1.47
Mr. Vimal Prasad Gupta	Short term employee benefits	1.48	9.21
Mr. Sanjeev Kumar	Short term employee benefits	1.67	-
Mr. Ashwani Singhal	Short term employee benefits	8.31	26.48
Mr. Jitendra Tuli	Sitting Fees	1.85	0.35
Mr. Sumant Bharat Ram	Sitting Fees	0.20	-
Dr. Kavita A. Sharma	Sitting Fees	2.45	0.40
Mr. Sudhir Kumar Jain	Sitting Fees	2.95	0.65
Mr. Shyam Sunder Sharma	Sitting Fees	0.40	-
Mr. Ravi Vira Gupta	Sitting Fees	-	0.15
Mr. Bipin Maira	Sitting Fees	3.00	0.65

* Provision for contribution to gratuity fund, leave encashment on retirement and other defined benefits which are made based on actuarial valuation on an overall company basis are not included in the remuneration of existing key management personnel.

The Company maintains superannuation trust for the purpose of administering the superannuation payment to its employees.

C. Balance Outstanding in Balance Sheet:

(Rupees in lakh)

Name of Related Party and Nature of Relationship	Nature of Transaction	As at March 31, 2022	As at March 31, 2021
Joint Controlled Entity			
Purearth Infrastructure Limited	Advance for purchase of rights in Residential Flats	9.00	1,535.60
	Payable for purchase of rights in flats (including Interest)	1,915.62	1,477.36
	Balance receivable	-	7.75

Name of Related Party and Nature of Relationship	Nature of Transaction	As at March 31, 2022	As at March 31, 2021
Other Entities			
DCM Employees Welfare Trust	Balance receivable (Net of provision)	179.89	179.89
	Provision for doubtful debts	100.00	100.00
DCM Limited Superannuation Trust	Balance payable	0.71	-
Key Management Personnel			
Mr. Dinesh Dhiman	Balance payable	-	5.03
Mr. Ashwani Singhal	Balance payable	3.29	-
Mr. Sanjeev Kumar	Balance payable	0.32	-
Mr. Yadvinder Goyal	Balance payable	1.97	-

*Entities in which key management personnel have significant influence/ Entity having significant control over the Group

** Jointly controlled entity is accounted as per equity method. Related party transactions are shown without any eliminations

44. Assets held for sale

The Board of Directors of the Holding Company, in its meeting held on February 8, 2018, approved the sale of land and building held by Engineering Division located in Kodukanthangal Village and Serkadu Village, Katpadi Sub-Registration District, Vellore Registration District, Vellore District, Tamil Nadu measuring 39.02 acre (March 31, 2021 - 39.02 acres) and land and building located in Rail Mazra Village, Tehsil Balachaur, Distt Shaheed Bhagat Singh Nagar, Punjab measuring 3.67 acres (March 31, 2021 - 3.67 acres) for such consideration and on such terms and conditions as may be deemed fit in the best interest of the Company. During the previous year land of 0.12 acres compulsory acquired by Govt for construction of road and gain of Rs 23.48 lakh is recognised in statement of profit and loss account under head "other income". All the assets held for sale are pledged against the short term borrowing of the company (Refer note 21 (ii)).

45. Operating segments

A. Basis for segmentation

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, and for which discrete financial information is available. All operating segment's operating results are reviewed regularly by the Chief operating decision maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

In accordance with Ind AS 108 'Segment Reporting' as specified in section 133 of the Companies act, 2013 read with Rule 7 of the Companies (Accounts) Rule, 2014, the Company has identified four reportable segments, as described below, which are the Company's strategic business units. These business units offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the business units, the Chief operating decision maker (CODM) reviews internal management reports on a periodic basis.

The following summary describes the operations in each of the Group's reportable segments:

Reportable segments	Operations
IT services	IT Infrastructure services
Real estate	Development at the Group's real estate site.
Grey iron casting	Grey iron casting manufacturing
Others	Others

B. Information about operating segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Board of Directors of the holding company. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Particulars	Reportable Segment						DCM Limited					
	Real Estate		Grey iron casting		IT Services		Others		Unallocated		Total	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Segment revenue												
- External revenues	-	-	(3.97)	(105.69)	6,867.10	4,689.52	-	-	-	-	6,863.13	4,583.83
- Other operating revenue	-	-	114.12	156.17	-	-	-	-	-	-	114.12	156.17
Total segment revenue	-	-	110.15	50.48	6,867.10	4,689.52	-	-	-	-	6,977.25	4,740.00
Segment profit/(loss) before tax	1,539.00	-	867.55	(1,338.25)	829.00	396.25	(2.39)	(10.95)	-	-	3,233.16	(952.95)
Unallocated corporate expenses/ income (net of unallocated income/ expenses)	-	-	-	-	-	-	-	-	25.74	107.87	25.74	107.87
Interest income	-	-	-	-	-	-	-	-	28.96	67.85	28.96	67.85
Profit before finance costs and tax	-	-	-	-	-	-	-	-	-	-	3,287.87	(777.23)
Finance costs	-	-	-	-	-	-	-	-	590.32	872.78	590.32	872.78
Profit/(loss) before tax and share of profit/(loss) of associates	-	-	-	-	-	-	-	-	-	-	2,697.55	(1,650.01)
Share of loss of equity accounted investee	-	-	-	-	-	-	-	-	516.98	(90.87)	516.98	(90.87)
Profit/(loss) before tax	-	-	-	-	-	-	-	-	-	-	3,214.53	(1,740.88)
Provision for taxation	-	-	-	-	-	-	-	-	197.99	43.23	197.99	43.23
Profit/(loss) after taxation	-	-	-	-	-	-	-	-	-	-	3,016.53	(1,784.11)
Depreciation and amortization	-	-	739.99	817.45	51.38	67.60	0.01	-	22.12	39.25	813.50	924.30
Capital expenditure during the year	-	-	-	-	14.10	8.47	-	-	17.50	0.52	31.60	8.99
Non cash expense other than depreciation	-	-	230.65	115.22	3.59	3.85	-	-	(3.19)	-	231.05	119.07

Particulars	Reportable Segment						DCM Limited					
	Real Estate		Grey iron casting		IT Services		Others		Unallocated		Total	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Segment assets	-	1,499.74	4,992.61	6,011.30	2,949.34	2,256.89	383.59	21.14	-	-	8,325.54	9,789.07
Assets held for sale	-	-	205.05	205.05	-	-	-	-	-	-	205.05	205.05
Unallocated assets	-	-	-	-	-	-	-	-	3,158.70	2,576.57	3,158.70	2,576.57
Total assets	-	1,499.74	5,197.66	6,216.35	2,949.34	2,256.89	383.59	21.14	3,158.70	2,576.57	11,689.29	12,570.69
Segment liabilities	1,915.62	1,500.35	3,106.39	8,101.15	954.19	895.96	375.03	8.91	1,817.58	853.67	8,168.81	11,360.05
Share capital and reserves	-	-	-	-	-	-	-	-	1,193.81	(1,906.69)	1,193.81	(1,906.69)
Loan funds	-	-	2,326.12	3,077.98	-	-	-	-	0.56	39.35	2,326.68	3,117.33
Total liabilities	1,915.62	1,500.35	5,432.51	11,179.13	954.19	895.96	375.03	8.91	3,011.95	(1,013.67)	11,689.29	12,570.69

C. Geographical information

The geographical information analyses the Group's revenues and non-current assets by the Group's country of domicile (i.e. India) and other countries. In presenting the geographical information, segment revenue has been based on the geographic location of customers and segment assets which have been based on the geographical location of the assets.

i. Revenues**(Rupees in lakh)**

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
India (a)	6,977.25	4,740.00
Outside India (b)	-	-
Total (a+b)	6,977.25	4,740.00

ii. Non current assets***(Rupees in lakh)**

Particulars	As At March 31, 2022	As At March 31, 2021
India	5,034.32	5,971.93
Outside India	-	2.01
Total	5,034.32	7,017.92

* Non current assets exclude financial instrument, deferred tax assets and post employment benefit assets.

D. Major customers

There is no single customer who contributed 10% or more of the Company's revenue during the year ended March 31, 2022 and March 31, 2021.

46. Fair value measurement and 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 at March 31, 2022**(Rupees in lakh)**

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Other financial assets *	-	-	252.13	252.13	-	-	252.13
Current							
Trade receivables *	-	-	1,536.64	1,536.64	-	-	1,536.64
Cash and cash equivalents *	-	-	827.92	827.92	-	827.92	-
Balances other than cash and cash equivalent above *	-	-	520.81	520.81	-	520.81	-
Loans *	-	-	19.13	19.13	-	-	19.13
Other financial assets *	-	-	476.39	476.39	-	-	476.39
Total	-	-	3,633.02	3,633.02	-	1,348.73	2,284.29
Financial liabilities							
Non-current							
Borrowings #	-	-	-	-	-	-	-
Lease liability	-	-	32.65	32.65	-	-	32.65
Other financial liabilities *	-	-	2,443.79	2,443.79	-	-	2,443.79
Current							
Borrowings #	-	-	2,326.67	2,326.67	-	2,326.67	-
Trade payables *	-	-	1,160.09	1,160.09	-	-	1,160.09
Lease liability	-	-	39.22	39.22	-	-	39.22
Other current financial liabilities *	-	-	3,083.56	3,083.56	-	-	3,083.56
Total	-	-	9,085.97	9,085.97	-	2,326.67	6,759.30

ii. As on March 31, 2021

(Rupees in lakh)

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Other financial assets *	-	-	199.56	199.56	-	-	199.56
Current							
Trade receivables *	-	-	1,031.67	1,031.67	-	-	1,031.67
Cash and cash equivalents *	-	-	426.78	426.78	-	426.78	-
Balances other than cash and cash equivalent above *	-	-	531.44	531.44	-	531.44	-
Loans *	-	-	24.29	24.29	-	-	24.29
Other financial assets *	-	-	163.43	163.43	-	-	163.43
Total	-	-	2,377.17	2,377.17	-	958.22	1,418.95
Financial liabilities							
Non-current							
Borrowings #	-	-	9.89	9.89	-	9.89	-
Lease liability	-	-	71.87	71.87	-	-	71.87
Other financial liabilities *	-	-	2,005.53	2,005.53	-	-	2,005.53
Current							
Borrowings #	-	-	3,107.44	3,107.44	-	3,107.44	-
Trade payables *	-	-	6,113.43	6,113.43	-	-	6,113.43
Lease liability	-	-	33.70	33.70	-	-	33.70
Other current financial liabilities *	-	-	1,625.62	1,625.62	-	-	1,625.62
Total	-	-	12,967.48	12,967.48	-	3,117.33	9,850.15

The Group's borrowings have been contracted at floating rates of interest. Accordingly, the carrying value of such borrowings (including interest accrued but not due) which approximates fair value.

* The carrying amounts of trade receivables, trade payables, cash and cash equivalents, bank balances other than cash and cash equivalents and other financial assets and liabilities, approximates the fair values, due to their short-term nature. The loans, investments and other non-current financial assets and bank deposits (due for maturity after twelve months from the reporting date), and other non-current financial liabilities, the carrying value of which 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, 2022 and March 31, 2021.

Reconciliation of fair value measurement of unquoted investment in equity instruments and preference shares classified as FVTPL (Level 3):

(Rupees in lakh)

Particulars	For the year ended	
	31-Mar-22	31-Mar-21
Opening balance	-	74.82
Less : Realised during the year	-	74.82
	-	-
Gain recognised in other comprehensive income	-	-
Closing balance	-	-

Valuation technique used to determine fair value

Specific valuation techniques used to value non-current financial assets and liabilities for whom the fair values have been determined based on present values and the appropriate discount rates of the Group at each balance sheet date. The discount rate is based on the weighted average cost of borrowings of the Group at each balance sheet date.

b. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

Risk management framework

The Group's board of directors has overall responsibility for the establishment and oversight of the Group'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 Group's risk management policies are established to identify and analyze the risks faced by the Group, 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 Group's activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

(i) Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are generally unsecured and are derived from revenue earned from customers primarily located in India and USA. The Group continuously monitors the economic environment in which it operates. The Group manages its Credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Group grants credit terms in the normal course of business.

The average credit period on sales of goods and services (other than moulds) within India is 30 to 60 days, sale of moulds is 180 days and sales of goods and services outside India is 30 to 90 days.

Majority of trade receivables are from customers, which are fragmented and are not concentrated to individual customers. Trade receivables are generally realised within the credit period.

The Group's exposure to credit risk for trade receivables are as follows:

(Rupees in lakh)

Particulars	Gross carrying amount	
	As at March 31, 2022	As at March 31, 2021
Not due	1,320.24	934.33
1-90 days past due	-	78.58
91 to 180 days past due	197.81	-
More than 180 days past due #	18.58	90.15
Other receivables having negligible credit risk	-	(71.39)
Total	1,536.63	1,031.67

The Group believes that the unimpaired amounts that are past due by more than 180 days are still collectible in full, based on historical payment behavior and extensive analysis of customer credit risk.

b. Financial risk management (continued)

Movement in the allowance for impairment in respect of trade receivables: (Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Balance at the beginning	71.38	26.74
Impairment loss recognised / (reversed)	(3.28)	44.64
Less: Amount written off	(68.10)	-
Balance at the end	-	71.38

(ii) Liquidity risk

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

The Group believes that its liquidity position, 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 Group believes it would be able to approach and materialise new financing arrangements, unlocking of value of unencumbered assets, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Group will continue to consider various borrowing or leasing options to maximize liquidity and supplement cash requirements as necessary. Also refer **Note 48**.

The Group's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Group's liquidity position on the basis of expected cash flows.
- Maintaining diversified credit lines.

I. Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted:

(Rupees in lakh)

As at March 31, 2022	Carrying amount	Contractual cash flows #			
		Less than one year	Between one year and five years	More than 5 years	Total
Non-current liabilities					
Lease liability	32.65	-	32.65	-	32.65
Other financial liabilities	2,443.79	-	2,443.79	-	2,443.79
Current liabilities					
Borrowings	2,326.67	2,326.67	-	-	2,326.67
Lease liability	39.22	39.22	-	-	39.22
Trade payables	1,160.09	1,160.09	-	-	1,160.09
Other financial liabilities *	3,083.56	3,083.56	-	-	3,083.56
Total	9,085.98	6,609.54	2,476.44	-	9,085.98

b. Financial risk management (continued)

As at March 31, 2021	Carrying amount	Contractual cash flows #			
		Less than one year	Between one year and five years	More than 5 years	Total
Non-current liabilities					
Borrowings *	9.89	-	9.89	-	9.89
Lease liability	71.87	-	71.87	-	71.87
Other financial liabilities	2,005.53	-	2,005.53	-	2,005.53
Current liabilities					
Borrowings	3,107.44	3,107.44	-	-	3,107.44
Lease liability	33.69	33.69	-	-	33.69
Trade payables	6,113.43	6,113.43	-	-	6,113.43
Other financial liabilities *	1,625.62	1,625.62	-	-	1,625.62
Total	12,967.47	10,880.18	2,087.29	-	12,967.47

* 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 optimising 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 Group is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Group's operating, investing and financing activities.

Exposure to currency risk

The summary of quantitative data about the Group's exposure to currency risk, as expressed in Indian Rupees, as at March 31, 2022 and March 31, 2021 are as below:

Particulars	(Rupees in lakh)	
	As at March 31, 2022 USD	As at March 31, 2021 USD
Financial assets		
Trade receivables	1,254.15	944.47
Cash and cash equivalent	63.07	243.73
Loans and advances	1.68	1.41
Other financial liabilities	140.73	92.05
	1,459.63	1,281.66
Financial liabilities		
Trade payables	256.34	216.97
Other current liabilities	74.30	216.35
	330.64	433.32

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at March 31, 2022 (previous year ended as on March 31, 2021) 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 lakh)

Particulars	Profit or loss before tax		Changes in equity (net of tax)	
	Strengthening	Weakening	Strengthening	Weakening
1% depreciation / appreciation in Indian Rupees against following foreign currencies:				
For the year ended March 31, 2022				
USD	11.29	(11.29)	8.45	(8.45)
	11.29	(11.29)	8.45	(8.45)
For the year ended March 31, 2021				
USD	8.48	(8.48)	6.57	(6.57)
	8.48	(8.48)	6.57	(6.57)

USD: United States Dollar

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 Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk.

Exposure to interest rate risk

The Group's interest rate risk arises majorly from the term loans from banks carrying floating rate of interest. These obligations exposes the Group to cash flow interest rate risk. The exposure of the Group's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

(Rupees in lakh)

Variable-rate instruments	As at March 31, 2022	As at March 31, 2021
Term loans from banks (Non-current)	-	9.89
Loans repayable on demand from banks	2,326.67	3,107.44
Total	2,326.67	3,117.33

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 lakh)

Particulars	Profit or loss before tax		Changes in equity (net of tax)	
	increase	decrease	increase	decrease
Interest on term loans from banks				
For the year ended March 31, 2022	(49.09)	49.09	(49.09)	49.09
For the year ended March 31, 2021	(36.69)	36.69	(36.69)	36.69

47. Capital management

For the purpose of the Group'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 Group'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 Group manages its capital structure and makes adjustments to it in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may return capital to shareholders, raise new debt or issue new shares.

The Group monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts adjusted with available cash and bank balances divided by total capital (equity attributable to owners of the parent).

(Rupees in lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Borrowings	2,326.67	3,117.33
Less : Cash and bank balances	1,348.73	958.22
Adjusted net debt (A)	977.94	2,159.11
Total equity (B)	1,193.81	(1,906.69)
Adjusted net debt to total equity ratio (A/B)	0.82	(1.13)

48. Due to continued situation of industrial unrest, the Group has been facing liquidity issues towards clearing of dues of creditors/banks and other liabilities pertaining to its Engineering Division. This has significantly reduced the Group net worth and the current liabilities exceed the current assets by Rs. 2,344 lakhs as at March 31, 2022. (P.Y. March 31, 2021 Rs. 6,050 lakhs). The Company is taking requisite steps to improve the liquidity and manage the existing situation.

The Scheme of Arrangement mentioned in note 39 above has been made with a view to restore profitability and revive the said Engineering Business Undertaking (Undertaking) by facilitating strategic investment and further sale of surplus piece of land and restructuring of outstanding loans, debts and liabilities pertaining to the Engineering Business to revive the said undertaking and infuse sufficient liquidity.

The management believes that with the above restructuring of Engineering Business Undertaking along with the debt pertaining to said Undertaking and infusing liquidity by focusing /managing of its remaining business undertaking/real estate operation as well as other interim measures to improve liquidity, the Company will be able to continue its operation on a going concern basis.

Accordingly, the financial results of the Company have been prepared on a going concern basis.

49. As stated in note 48 above, the Holding Company has proposed to restructure the outstanding loans payable to banks pertaining to its Engineering Business Undertaking, however, as per the original terms of said loans with the lenders, the Holding Company has defaulted in repayment of dues aggregating to Rs. 1,204 lakhs to these banks as on the date of approval of these financial statements.

50. In view of continued situation of industrial unrest at Engineering Business Division of the Holding Company, situated at Village Asron, District Shaheed Bhagat Singh Nagar (Punjab), the management of the Division has recommended to declare a lockout. The Board of Directors of the Holding Company in their meeting held on October 21, 2019 has accordingly approved the declaration of lockout at its said Engineering Business Undertaking w.e.f. October 22, 2019.

The said lockout was opposed by the workmen of said Engineering Division before the Labour Authorities. Presently the matter is sub judicial before labour authorities.

Based on the legal advice received by the Company, the management is of the view that the present lockout is legal and justified. Therefore, the Group has not made any provision for wages pertaining to the lockout period October 22, 2019 to March 31 2022 aggregating to Rs.4402.50 lakh (till march 31,2021 - Rs. 2721.22 lakhs.)

51. DCM Ltd. Holding Company is listed on stock exchange in India, the Company has prepared consolidated financial statements as required under Ind As 110, Section 129 of Companies Act 2013 and listing requirements. The consolidated financial statement is available on Company's website for public use.

52. The Group has considered the impact of COVID-19 on its operations as well as its financial statements, including carrying amounts of investments, property plant and equipment, loans and other assets, as at March 31, 2022. In assessing the carrying value of these assets, the Group has used internal and external sources of information up to the date of approval of these financial statements, and based on current estimates, expects the net carrying amount of these assets will be recovered. The Group will continue to closely monitor any material changes to the business and financial statements due to COVID-19, wherever required.

53. Corporate Social Responsibility

(Rupees in lakh)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Gross amount required to be spent	9.88	6.60
Amount spent- in cash	10.27	6.60
Promotion of education	-	-
Others	-	-

54. Struck off Companies : Details of relationship with Companies struck off under Section 248 of Companies Act, 2013 or Section 560 of the Companies Act, 1956:

Name of the Struck off Company	Nature of Transaction with struck off Company	Balance outstanding as at March 31, 2022 (Nos.)	Balance outstanding as at March 31, 2021 (Nos.)	Relationship with struck off company
DCM Finance and Leasing Limited	Shares held of Struck off Company (under process)	-	49,996 number of shares of Rs.10/- each	Group Company. (Subsidiary of DCM Ltd)

55. Additional regulatory information required by Schedule III of Companies Act, 2013

(i) Details of Benami property:

No proceedings have been initiated or are pending against the Group for holding any Benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder

(ii) Utilisation of borrowed funds and share premium:

The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries
- The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
 - (b) provide any guarantee, security or the like on behalf of the ultimate beneficiaries

(iii) Compliance with number of layers of companies:

The Group has complied with the number of layers prescribed under the Companies Act, 2013.

(iv) Compliance with approved scheme(s) of arrangements: Refer Note 39

(v) Undisclosed income:

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(vi) Details of crypto currency or virtual currency:

The Group has not traded or invested in crypto currency or virtual currency during the current or previous year.

(vii) Valuation of PP&E, intangible asset and investment property:

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

(viii) The Group has not granted any loans or advances in the nature of loans either repayable on demand.

56. Events occurring after the Balance Sheet Date -

No adjusting or significant non- adjusting events have occurred between the reporting date and date of authorization of these Consolidated financial statements.

57. Standard notified but not yet effective

The Ministry of Corporate Affairs has vide notification dated 23rd March 2022 notified Companies (India Accounting Standards) Amendmendt Rules, 2022 which amends certain accounting standards, and are effective 1st April, 2022. These amendments are not expected to have a material impact on the Group in the current of future reporting periods and on foreseeable future transactions.

58. Previous year figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/disclosure.

59 Interests in other entities**(a) Subsidiaries/ Special purpose entity**

The group's subsidiaries and controlled trust (treated as subsidiary for consolidation) at 31 March 2022 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of the Entity	Place of business/ country of incorporation	Ownership interest held by the group		Ownership interest held by non- controlling interests	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
DCM Finance & Leasing limited*	India	-	100%	-	-
DCM Landmark Estates Limited (Formerly DCM Textiles Limited)	India	100%	100%	-	-
DCM Realty and Infrastructure Limited	India	100%	100%	-	-
DCM Engineering Limited (Formerly DCM Tools & Dies Limited)	India	100%	100%	-	-
DCM Infotech Limited (Formerly DCM Realty Investment & Consulting Limited)	India	100%	100%	-	-
DCM Infinity Realtors Limited (Formerly DCM Data Systems Limited)	India	100%	100%	-	-
DCM Engineering Products Educational Society	India	100%	100%	-	-

Principal activities of group companies

DCM Finance & Leasing limited*	The operations of this company mainly comprises income from real estate activities.
DCM Landmark Estates Limited (Formerly DCM Textiles Limited)	This mainly includes business of construction and Real Estate.
DCM Realty and Infrastructure Limited	This mainly includes business of construction and Real Estate.
DCM Engineering Limited (Formerly DCM Tools & Dies Limited)	The company is engaged in the business of purchase, sell, import, export, manufacture tools & dies.
DCM Infotech Limited (Formerly DCM Realty Investment & Consulting Limited)	The company is engaged in pure play service provider of managed IT services globally, specializing in networking, analytics, cloud, and digital technologies.
DCM Infinity Realtors Limited (Formerly DCM Data Systems Limited)	This mainly includes business of construction and Real Estate.
DCM Engineering Products Educational Society	The trust (Special purpose entity) is engaged in providing educational services to children of its staff and workers mainly.

* The Company is in the process for strick off the name of its subsidiary namely DCM Finance & Leasing Limited

(b) Joint venture

(Rupees in lakh)

Name of entity	Place of business	% of ownership interest	Accounting method	Carrying amount	
				31 March 2022	31 March 2021
Purearth Infrastructure Limited	New Delhi	16.56%	Equity	1,099.35	581.73
Total equity accounted investments				1,099.35	581.73

Purearth Infrastructure Limited ("PIL") is a joint arrangement carrying on business of real estate in which Group has joint control and a 16.56% ownership interest. PIL is structured as a separate legal entity and the Group has an interest in the net assets of PIL. Accordingly, the Group has classified its interest in PIL as a joint venture.

Summarised financial information for joint venture

The tables below provide summarised financial information of PIL and the carrying amount of the Group's interest in PIL.

(Rupees in lakh)

Particulars	As at 31 March 2022	As At 31 March 2021
Percentage ownership	16.56%	16.56%
Net assets	9,860.41	6,734.63
Group's share in net assets	2,066.82	1,206.21

(Rupees in lakh)

Particulars	For year ended March 31, 2022	For year ended March 31, 2021
Revenue	22,535.94	1,685.46
Depreciation and amortisation	43.98	45.87
Finance costs	1,493.39	1,807.49
Income tax expense	1,102.28	0.40
Profit/(loss)	3,121.87	(548.73)
Other comprehensive income	3.91	(0.49)
Total comprehensive income	3,125.78	(549.22)
Group's share of profit	516.98	(90.87)
Group's share of total comprehensive income	516.98	(90.87)
Reconciliation to carrying amounts of investments		
Investment in joint venture	581.72	672.68
Profit/(loss) for the year	3,121.86	(548.73)
Group's share in the profit/(loss) (after adjustment for unrealised gain in inventories)	516.98	(90.87)
Group's share in the other comprehensive income (net of tax)	0.65	(0.08)
Carrying amount of investment in the joint venture	1,099.35	581.73

60. Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary and Joint venture.

(Rupees in lakh)

Name of Enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
Parent company:								
DCM Limited								
March 31, 2022	112.40%	1,341.80	58.95%	1,778.19	90.50%	75.99	59.80%	1,854.18
March 31, 2021	26.87%	(512.37)	111.92%	(1,996.70)	88.35%	63.98	112.91%	(1,932.72)
Subsidiaries:								
DCM Data Systems Limited								
March 31, 2022	-0.01%	(0.15)	-0.02%	(0.49)	0.00%	-	-0.02%	(0.49)
March 31, 2021	-0.02%	0.34	0.25%	(4.48)	0.00%	-	0.26%	(4.48)
DCM Finance & leasing limited								
March 31, 2022	0.00%	-	-0.02%	(0.51)	0.00%	-	-0.02%	(0.51)
March 31, 2021	-0.03%	0.51	0.61%	(10.92)	0.00%	-	0.64%	(10.92)
DCM Infotech Limited (Formerly DCM Realty Investment & Consulting Limited)								
March 31, 2022	167.12%	1,995.15	22.30%	672.80	8.73%	7.33	21.94%	680.12
March 31, 2021	-71.36%	1,360.93	-20.09%	358.43	11.76%	8.52	-21.44%	366.95
DCM Textiles Limited								
March 31, 2022	0.00%	(0.04)	-0.02%	(0.46)	0.00%	-	-0.01%	(0.46)
March 31, 2021	-0.02%	0.42	0.30%	(5.39)	0.00%	-	0.31%	(5.39)
DCM Engineering Limited (Formerly DCM Tools & Dies Limited)								
March 31, 2022	0.49%	5.84	-0.01%	(0.25)	0.00%	-	-0.01%	(0.25)
March 31, 2021	-0.32%	6.09	0.02%	(0.37)	0.00%	-	0.02%	(0.37)
DCM Realty and Infrastructure Limited								
March 31, 2022	-0.01%	(0.17)	-0.02%	(0.63)	0.00%	-	-0.02%	(0.63)
March 31, 2021	-0.02%	0.47	0.18%	(3.30)	0.00%	-	0.19%	(3.30)

Notes to the consolidated financial statements for the year ended March 31, 2022 continued

Name of Enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated other comprehensive income	Amount	As % of consolidated total comprehensive income	Amount
DCM Engineering Products Educational Society								
March 31, 2022	0.37%	4.36	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
March 31, 2021	-0.23%	4.38	0.27%	(4.73)	0.00%	-	0.28%	(4.73)
Elimination on consolidation								
March 31, 2022	-180.34%	(2,152.98)	1.69%	50.91	0.00%	-	1.64%	50.91
March 31, 2021	145.14%	(2,767.83)	1.44%	(25.77)	0.00%	-	1.51%	(25.77)
NCI in all subsidiaries				-		-		-
Joint venture (Investments as per Equity Method)								
Purearth Infrastructure Limited								
March 31, 2022	92.09%	1,099.35	17.14%	516.98	0.77%	0.65	16.70%	517.63
March 31, 2021	-30.51%	581.81	5.09%	(90.87)	-0.11%	(0.08)	5.31%	(90.95)
Total								
March 31, 2022		1,193.81		3,016.53		83.97		3,100.49
March 31, 2021		(1,907.06)		(1,784.11)		72.42		(1,711.69)

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date.

For S S Kothari Mehta & Company
Chartered Accountants
ICAI Firm Registration No.: 000756N

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

Sunil Wahal
Partner
Membership No.: 087294

Bipin Maira
Chairman
DIN: 05127804

Jitendra Tuli
Managing Director
DIN: 00272930

Dr. Kavita A Sharma
Director
DIN: 07080946

Place : New Delhi
Date : May 28, 2022

Ashwani Singhal
Chief Financial Officer

Yadvinder Goyal
Company Secretary

Place : New Delhi
Date : May 28, 2022

Annexure-“A”
(Rupees in lakh)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures (AOC-1)
Part “A” : Subsidiaries

SN	Name of the Subsidiary Company	Share capital	Reserves and surplus	Total assets	Total liabilities	Investments	Turnover	Profit/ (loss) Before Taxation	Provision for Taxation	Profit After Taxation	Proposed Dividend	% of shareholding
1	DCM Landmark Estates Limited (Formerly known as DCM Textiles Limited)	5.00	(5.04)	0.37	0.41	-	-	(0.46)	-	(0.46)	-	100.00%
2	DCM Infotech Limited (Formerly known as DCM Realty Investment & Consulting Limited)	255.01	1,740.14	2,949.34	954.19	-	6,867.10	906.26	233.46	672.80	-	99.99%
3	DCM Engineering Limited (Formerly known as DCM Tools & Dies Limited)	5.00	0.84	371.28	365.44	-	-	(0.25)	-	(0.25)	-	100.00%
4	DCM Finance & Leasing Limited	5.50	(5.50)	-	-	-	-	(0.51)	-	(0.51)	-	100.00%
5	DCM Infinity Realtors Limited (Formerly known as DCM Data Systems Limited)	5.00	(5.15)	0.26	0.41	-	-	(0.49)	-	(0.49)	-	100.00%
6	DCM Realty and Infrastructure Limited	5.00	(5.17)	0.24	0.41	-	-	(0.63)	-	(0.63)	-	100.00%

Subsidiaries which are yet to commence business.

- DCM Engineering Limited (Formerly Known as DCM Tools & Dies Limited)
- DCM Landmark Estates Limited (Formerly Known as DCM Textiles Limited)
- DCM Infinity Realtors Limited (Formerly known as DCM Data Systems Limited)
- DCM Realty and Infrastructure Limited

Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of the Companies (Accounts) Rules, 2014
Part “B” : Joint Ventures
(Rupees in lakh)

1	Name of the Joint Venture	Purearth Infrastructure Limited
2	Latest audited Consolidated Balance Sheet Date	March 31, 2022
3	Share of joint venture held by the Company on the year end No.	16.56% 1,78,53,605
	Amount invested in Joint venture	2,986.18
	Extent of holding %	16.56%
4	Description of how there is significant influence	Pursuant to shareholder agreement.
5	Reason why the joint venture is not consolidated	Accounted as per equity method in consolidated accounts.
6	Net worth attributable to shareholding as per latest balance sheet	1,632.88
7	Profit (Loss) for the year	-
i	Considered in consolidation *	517.77
ii	Not considered in consolidation	-

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

Bipin Maira
Chairman
DIN: 05127804

Jitendra Tuli
Managing Director
DIN: 00272930

Dr. Kavita A Sharma
Director
DIN: 07080946

Ashwani Singhal
Chief Financial Officer

Yadvinder Goyal
Company Secretary

Place : New Delhi
Date : May 28, 2022

Note:

The Company will make available the annual accounts and related detailed information of the subsidiary companies upon request by the shareholders of the holding and the subsidiary companies. These shall also be kept for inspection at the Registered Office of the Company and the subsidiary companies and also available on the website.