



April 09, 2024

**BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai-400 001
Scrip Code: 542729**

**National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex, Bandra East
Mumbai, Maharashtra – 400 051
Symbol: DCMNVL**

Dear Sir/ Madam,

Ref: Intimation under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to the provisions of Regulation 30 read with Schedule III of SEBI Listing Regulations, please find below disclosure under Clause 20 of Para A of Part A of Schedule III of SEBI Listing Regulations.

This is to inform you that Company has received an email from the DCM Limited (**“Demerged Company”**) on **05th April 2024**, regarding an order dated 30.03.2024, u/s 147 read with section 144(b) of the Income Tax Act, 1961 (‘Act’) (**“Order”**) from Assessment Unit, Income Tax Department wherein an addition of Rs. 25,89,48,981/- (Rupees Twenty-Five Crore Eighty-Nine Lacs Forty-Eight Thousand Nine Hundred Eighty-One Only) on account of unexplained expenditure has been made with accompanying notice of **zero demand** u/s 156 of the Act.

Upon receipt of an email, the Company promptly examined the order/notice received, discussed with the management of the DCM Limited and decided to take appropriate steps, including filing appeals, if necessary, rectification applications, and seeking indemnity for the claim, as elaborated in detail in the annexure below:

Further in this regard, the Company engaged its legal advisor(s)/consultant(s) to evaluate the regulatory compliance requirements of the SEBI Regulation and their potential impact on the Company. Acting upon their recommendations, the management and the Disclosure Committee opted for a cautious approach and, as a result, decided to disclose the pertinent details of the order concerning the Scheme/Court order. Consequently, the Company is making this disclosure to the Stock Exchange(s) today, i.e., April 9, 2024.

This is to further submit that the entire decision-making process, involving understanding the order, evaluating its impact on the Company after detailed discussions with the management of DCM Limited and their Tax Consultants, took time. As a result, there was a delay in submitting the aforementioned disclosure under Regulation 30 of the SEBI Listing Regulation.



The details of the above said order / notice as per SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, read with Regulation 30, and Clause 20 of Para A of Part A of Schedule III of SEBI Listing Regulations, is enclosed herewith **as Annexure -I.**

We kindly request you to take this on record. We assure you that we remain committed to compliance with the SEBI Listing Regulations and shall endeavor to ensure timely adherence in the future.

Thanking You,
Yours Sincerely

For DCM Nouvelle Limited

Mohd Sagir
Company Secretary

Encl-a/a

Annexure – I

Information as per SEBI Circular No. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, read with Regulation 30 and Clause 20 of Para A of Part A of Schedule III of SEBI Listing Regulations:

Name of the opposing party / court / tribunal / agency where litigation is filed	Assessment Unit, Income Tax Department
Brief details of dispute / litigation	DCM Limited (" Demerged Company ") received an Assessment Order u/s 147 read with section 144(b) of the Income Tax Act, 1961 dated 30.03.2024 wherein an addition of Rs. 25,89,48,981/- to the total income of the Company for the Assessment Year 2019-20 has been made. The notice for initiating penalty proceedings u/s 271 (a) (c) of Income Tax Act has also been issued.
Date of Receipt of direction or order, including any ad-interim or interim orders, or any other communications from the authority	Order received by the DCM Limited on March 30, 2024. The Company received the information regarding the order/notice from DCM Limited on 05.04.2024.
Details of violation(s) / contravention (s) committed or alleged to be committed	<p>In accordance with the assessment order dated March 30, 2024, received by the Company on April 5th, 2024, addressed to DCM Limited, it has been alleged that the erstwhile Textile Business Undertaking (referred to as the Demerged Undertaking) of the DCM Limited, which was demerged into the Company under a scheme of arrangement, made purported purchases of Rs. 25,89,48,981/- from a supplier during the financial year 2018-19.</p> <p>In the Assessment Order, the said conclusion has been drawn by the Department primarily on account of non-receipt of information/reply from the said supplier in pursuance of notice issued by the Department to the said supplier u/s 133(6) of the Act and in the absence of any corroborative evidence from the said supplier.</p> <p>As per the notice of demand u/s 156 of Income Tax Act, ZERO DEMAND has been determined to be payable by</p>

	<p>the Company (basis of the said notice of demand has not been made available in detail and hence the impact is not quantified appropriately as on date).</p>
<p>Impact on financial, operation or order activities of the listed entity, questionable in monetary terms to the extent possible.</p>	<p>All legal proceedings against DCM Limited relating to the Demerged Undertaking shall be enforced by the Company as per para 9.1 of the said scheme which is reproduced herein below: -</p> <p><i>“From the Effective Date, all legal or other proceedings by or against the Demerged Company and relating to the Demerged Undertaking, including proceedings under various tax laws, whether pending on the Appointed Date or which are instituted at any time in the future, shall be continued and enforced by or against the Resulting Company after the Effective Date, to the extent legally permissible. If proceedings relating to the Demerged Undertaking are taken against the Demerged Company, the Demerged Company will defend such proceedings on notice or as per advice of the Resulting Company for the benefit of and at the costs of the Resulting Company and the Resulting Company will reimburse and indemnify and keep indemnified the Demerged Company from and against all liabilities, obligations, actions, claims and demands in respect thereof.”</i></p> <p>The Company is in continuous discussion with the management of DCM Limited to evaluate to file an appeal against the said Assessment order within time limits prescribed under Income Tax Act including contesting the penalty proceedings-initiated u/s 274 read with section 271 AAC (1) of the Act, considering that no demand has been raised by the Department.</p> <p>The Company also made a formal request to the DCM Limited, to cooperate as DCM Nouvelle Limited not directly receiving any communication from the Income Tax Department, so Company defends itself in advance.</p> <p>In response to the notice of the Department, the company submitted all the required documents to</p>

	substantiate the genuineness of purchases and the company is very confident that it will get a favourable judgement from appellant authority.
Quantum of claims, if any.	Nil.