

DCM LIMITED ANNUAL REPORT

2019 -2020

BOARD OF DIRECTORS

Dr. Vinay Bharat Ram
Chairman

Mr. Jitendra Tuli
Managing Director

Mr. Dinesh Dhiman
Executive Director (Engineering Operation)

Mr. Bipin Maira

Dr. Kavita A. Sharma

Mr. Ravi Vira Gupta

Prof. Sudhir Kumar Jain

CHIEF FINANCIAL OFFICER

Mr. Ashwani Kumar Singhal

COMPANY SECRETARY

Mr. Vimal Prasad Gupta

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 130th Annual General Meeting of DCM Limited ('the Company') will be held on Friday, September 25, 2020 at 11.45 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, 2020, 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, 2020 together with Report of Auditors thereon.
2. To appoint a director in place of Mr. Dinesh Dhiman (DIN: 08021624), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors of the Company and in this regard 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 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendations of the Audit Committee and of Board of Directors of the Company, M/s. S S Kothari Mehta & Company, Chartered Accountants (Firm Registration No.000756N), be and are hereby appointed as the Statutory Auditors of the Company for a period of five (5) years, commencing from the conclusion of this Annual General Meeting till the conclusion of 135th Annual General Meeting of the Company to be held in the year 2025 at such remuneration plus applicable taxes and out of pocket expenses, if any, as may be recommended by the Audit Committee and approved by the Board of Directors of the Company."

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to recommendation of the Nomination and Remuneration Committee and in accordance with the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 including any statutory modification(s) or re-enactment thereof for the time being in force and Regulations 17, 25 and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, Dr. Kavita A Sharma (DIN-07080946), who was appointed as an Additional Director by the Board of Directors of the Company with effect from November 14, 2019 pursuant to provisions of Section 161(1) of the Companies Act, 2013 and who holds office upto the date of this Annual General Meeting 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 her candidature for the office of Director, be and is hereby appointed as an Independent Woman Director of the Company

for a term of five (5) consecutive years, commencing with effect from November 14, 2019 upto November 13, 2024, not 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 Regulation 17 (1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, and the applicable provisions of the Companies Act, 2013 and relevant Rules made there under, including any statutory modification(s) or re-enactment thereof, for the time being in force, approval of the members of the Company be and is hereby accorded for continuation of the appointment of Mr. Jitendra Tuli (DIN 00272930), aged around 80 years, as a Director of the Company, (whose office of director is liable to retire by rotation and whose continuation in office with effect from October 1, 2019, requires approval of shareholders by way of special resolution), for his remaining term of office with effect from October 1, 2019 upto the period till he retires by rotation or ceases to be director of the Company.

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 an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), at a fee upto Rs. 5000/- (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), as Cost Auditors, for financial year 2020-21, for audit of the Cost Accounts pertaining to Cast Iron Unit of the Company namely 'DCM Engineering Products' located at Shaheed Bhagat Singh Nagar, Punjab, 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 : June 26, 2020

Sd/-
Vimal Prasad Gupta
Company Secretary & Compliance Officer

DCM

Notes:

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of Item nos. 4 to 6 under Special Business and an Explanation in respect of appointment of Statutory Auditors of the Company as per Regulation 36(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time, is annexed with this Notice. The Board of Directors of the Company at its meeting held on June 26, 2020 considered that the special business under Item Nos. 4 to 6, being considered unavoidable, be transacted at the 130th AGM of the Company.
2. In view of the outbreak of the COVID-19 pandemic, social distancing norm to be followed and the continuing restriction on movement of persons at several places in the country and pursuant to General Circular Nos. 14/2020, 17/2020 and 20/2020 dated 8th April, 2020, 13th April, 2020 and 5th May, 2020, respectively, issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 12th May, 2020 issued by the Securities and Exchange Board of India ("SEBI Circular") and in compliance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), as amended from time to time, the 130th AGM of the Company is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue.
3. Since this AGM is held without the physical presence of the Members, the Proxy Form and the Attendance Slip are not annexed to this Notice.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, September 19, 2020 to Friday, September 25, 2020 (both days inclusive).
5. Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI etc.) are required to send a scanned copy (PDF/JPG Format) of its board of 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@dcml.in
6. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or MCS, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
7. 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.
8. 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.
9. 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 19.09.2020 through email on investors@dcml.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@dcml.in on or before 19.09.2020. 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.
10. Statutory Registers as maintain under Companies Act 2013 will be available electronically for inspection by the member on the website of the Company at www.dcm.in during the time of AGM, basis the request being send on investors@dcml.in.
11. In Compliance with the aforesaid MCA and SEBI Circular(s), Notice, inter-alia, explaining the manner of attending AGM through VC/OAVM and electronic (e-voting) voting along with explanatory statement of 130th AGM of the Company and Annual Report of the Company for financial year 2019-20 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories as on August 21, 2020. 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), on the website of NSDL (www.evoting.nsdl.com) and also at the website of our RTA (www.mcsregistrars.com).
12. 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, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares, members holding shares in physical form are requested to 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.
13. Members, who are holding shares in physical/electronic form and their e-mail addresses are not registered with the Company/their respective Depository Participants, are requested to register their e-mail addresses at the earliest by sending scanned copy of a duly signed letter by the Member(s) mentioning their name, complete address, folio number, number of shares held with the Company along with self-attested scanned copy of the PAN Card and self-attested scanned copy of any one of the following documents viz., Aadhar Card, Driving Licence, Election Card, Passport, utility bill or any other Govt. document in support of the address proof of the Member as registered with the Company for receiving the Annual Report of the Company for financial year 2019-20 along with AGM Notice by email to investors@dcml.in or admin@mcsregistrars.com. Members holding shares in demat form can update their email address with their Depository Participants.
14. Please note that the updation/registration of email addresses on the basis of the above scanned documents will be only for the purpose of sending the notice of 130th AGM and Annual Report for 2019-20 and thereafter shall be disabled from the records of the RTA immediately after the 130th AGM. The Member(s) will therefore be required to send the email ID updation request along with hard copies of the aforesaid documents to RTA for actual registration in the records to receive all the future communications including Annual Reports, Notices, Circulars, etc. from the Company electronically.
15. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore,

requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Share Transfer Agents, M/s MCS Share Transfer Agent Limited.

16. As per SEBI Listing Regulations, for securities market transactions and/or for off-market or private transactions involving transfer of shares in physical form, the transferee(s) as well as transferor(s) (including joint holders) shall furnish copy of PAN card to the Company for registration of such transfer of securities. Accordingly, all the shareholders/transferor(s)/transferee(s) of shares (including joint holders) in physical form are requested to furnish a certified copy of their PAN Card to the Company/ RTA while transacting in the securities market including transfer, transmission or any other corporate action.
17. 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.
18. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held in electronic form and to MCS in case the shares are held in physical form.
19. As per the provisions of Section 72 of the Companies Act, 2013, 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 MCS in case the shares are held in physical form.
20. All unclaimed/unencashed dividend, debenture interest and interest on deposits as well as the principal amount of debentures and deposits, as applicable, remaining unclaimed/unencashed for a period of seven years from the date they became due for payment, have been/will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government, from time to time, in accordance with applicable provisions of the Companies Act, 1956 and / or the Companies Act, 2013.
21. Also, in terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended from time to time, shares on which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of Investor Education and Protection Fund Authority (IEPFA) within a period of thirty days of such shares becoming due to be so transferred. Upon transfer of such shares, all benefits (like bonus, etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.
22. Any person whose shares, unclaimed/un-encashed dividend, matured deposits, matured debentures, or interest thereon, have been transferred to the IEPFA, can claim back the shares or apply for refund from IEPFA, as the case may be, by making an application to the IEPFA, in Form No. IEPF-5 available on www.iepf.gov.in.
23. Relevant documents referred to in the accompanying Notice and the Explanatory Statement are available for inspection by the members through electronic mode, basis the request being sent on investors@dcm.in.

24. The relevant details as required under Regulations 26(4) and 36(3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time, 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 130th AGM under Item No. 2, 4 & 5 of Notice of this 130th AGM, are provided at page no. 7 of the Annual Report.

25. Since the AGM will be held through VC/OAVM without the physical presence of Members at a common venue, the route map is not required.

26. Instructions for e-voting and joining the AGM are as follows:

A. Voting through electronic means

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 ("Act") and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended up to date and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to the Members to cast their votes, on the Resolutions proposed to be considered at AGM, by electronic voting system from a place other than venue of the AGM ("remote e-voting") arranged by National Securities Depository Limited (NSDL).
- II. The remote e-voting period shall commence on Tuesday, September 22, 2020 at (9.00 A.M. IST) and ends on Thursday, September 24, 2020 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 18, 2020, 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 cast 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 has cast 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 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: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>

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

A detail on Step 1 is mentioned below:

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.
4. Your User ID details are given below

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

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
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. .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'.
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 or mentioning your

demat account number/folio number, your PAN, your name and your registered address.

- d) Members can also use the one-time password (OTP) based login for casting the e-votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

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

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" -113441 of DCM Limited.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your e-vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your e-vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your e-vote.
- VII. In case of any queries/grievance, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at or contact Mr. Amarjit at 011-41406148 (E-mail: admin@mcsregistrars.com). If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on or contact NSDL at the following toll free no.: 1800-222-990.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. 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 of September 18, 2020.
- X. 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 18, 2020, may obtain the login ID and password by sending a request at or Registrar and Transfer Agent (RTA) of the Company.
- XI. 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 voting at the AGM and a person who is not a Member as on the cut-off date i.e. September 18, 2020, should treat this Notice for information purposes only.

B. Instructions for Members for Attending the AGM through VC/OAVM as are under:

1. Members will be able to attend the AGM through VC/OAVM or view

the live webcast of AGM provided by NSDL at www.evoting.nsdl.com by using their remote e-voting login credentials and selecting the EVEN for Company's AGM. Members who do not have the User ID and password or have forgotten the user id and password may retrieve the same by following the remote e-voting instructions mentioned in the notice. Further Members can also use the OTP based for logging into the e-voting system of NSDL.

2. Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM and will be available for Members on first come first basis.
3. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in or 1800-222-990 or contact Ms. Pallavi Mhatre, Manager- NSDL at 022-24994545 or pallavid@nsdl.co.in or Ms. Soni Singh, Assistant Manager- NSDL at 022-24994559 or sonis@nsdl.co.in.
4. Shareholders who will participate in the AGM through VC/OAVM can also post question/feedback through question box option. Such questions by the Members shall be taken up during the meeting or replied by the Company suitably.

C. e-voting result

1. The Scrutinizer shall immediately after the conclusion of e-voting at the AGM, unblock the votes cast through remote e-voting and e-vote cast during AGM and will make, not later than 48 hours from the conclusion of the AGM, a consolidated scrutinizer's report of the total e-votes cast before and during the AGM in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
2. The Results declared along with the report of the Scrutinizer will be placed on the website of the Company at www.dcm.in and on the website of NSDL at www.nsdl.co.in immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results will also be immediately submitted to the BSE Limited & National Stock Exchange of India Limited.
3. Other instructions:
Please note that:
 - Login to 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 'Forgot Password' option available on the site to reset the same.
 - It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential

EXPLANATORY STATEMENT PURSUANT TO PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013 AND REGULATION 36(5) OF SEBI LISTING REGULATIONS.

Item No. 3

The Board of Directors on recommendation of Audit Committee and subsequent approval of the members of the Company obtained through postal ballot, appointed M/s SS Kothari Mehta & Company, Chartered Accountants [Firm Registration No. 000756N] as Statutory Auditor of the Company w.e.f. October 1, 2019 to fill the casual vacancy arisen due to the resignation of M/s BSR & Co. LLP, Chartered Accountants, (Firm Registration No. 10124) and shall hold office upto the conclusion of this Annual General Meeting.

Further, as per the provisions of Section 139 (1) Companies Act, 2013, Company is required to appoint Statutory Auditor of the Company for a term of 5 consecutive years in the Annual General Meeting.

Accordingly, pursuant to the recommendation of the Audit Committee, the Board proposed to appoint M/s. S S Kothari Mehta & Company, Chartered

Accountants (Firm Registration No. 000756N), as the Statutory Auditor of the Company, to hold office for a period of 5 consecutive years from the conclusion of the 130th Annual General Meeting of the Company till the conclusion of the 135th Annual General Meeting to be held in the year 2025.

Further, M/s SS Kothari Mehta & Company, Chartered Accountants (Firm Registration No. 000756N), have conveyed their consent for the appointment as the Statutory Auditors of the Company along with a confirmation that, their appointment, if made, by the members, would be within the limits prescribed under the Companies Act, 2013, as amended from time to time.

It is proposed to pay fee upto Rs. 15.50 Lacs excluding out of pocket expenses, if any or such other remuneration as may be recommended by Audit Committee and approved by Board of Directors. The proposed fee is less than the fee paid to previous auditors i.e. M/s BSR & Co., LLP Chartered Accountants. The material change in the proposed fee to be paid to M/s SS Kothari Mehta & Company, Chartered Accountants, is due to reduction in the area of work which is due to demerger of Textile Unit and sale of IT Division of the Company.

Board recommends the **Ordinary Resolution** as set out at item no. 3 in this Notice for approval of the members of the Company.

None of the Directors or Key Managerial Personnel or their relatives is interested, either financially or otherwise, in the resolution.

Brief Profile of the auditors

M/s. SS Kothari Mehta & Company, Chartered Accountants, (FRN 000756N), ("the Audit Firm"), is a renowned firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. The Audit Firm was established in the year 1953. It has registered/head office situated at Plot No. 68, Okhla Phase – III, New Delhi – 110020. The Audit Firm has valid Peer Review certificate. It is primarily engaged in providing audit and assurance services to its clients.

Item no. 4

The Board of Directors of the Company have appointed Dr. Kavita A Sharma as an Additional Director of the Company with effect from November 14, 2019, 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, she would hold office as such up to the date of this Annual General Meeting of the Company.

In terms of provisions of Sections 149, 150, 152, Schedule IV of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, it is proposed to appoint Dr. Kavita A Sharma as an Independent Women Director of the Company for a term up to 5 (five) consecutive years commencing from November 14, 2019.

The Company has received declaration(s) from Dr. Kavita A Sharma to the effect that she meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time. Further, in terms of regulation 25(8) of SEBI Listing Regulations, she has confirmed that she is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge her duties.

In the opinion of the Board, Dr. Kavita A Sharma fulfills the conditions specified in the Companies Act, 2013 and SEBI Listing Regulations for appointment as an Independent Directors and is independent of the management 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 Dr. Kavita A Sharma for the office of director of the Company.

Dr. Kavita A Sharma holds Ph.D. degree in English from the University of Delhi. She has also completed her degree in LLM from the University of British Columbia, Canada. She had served as Director of India International Centre,

New Delhi during the period from August, 2008 to October, 2014 and was also Honorary visiting Lecturer at Tokyo Women's Christian College during the period 1974-75 and at University of Indonesia during the period 1977-78. She has been awarded with various fellowships including Faculty Enrichment Fellowship by Shastri Indo Canadian Institute at Vancouver, Academic Year 1991-92.

She is associated with many professional organisations including English Association, Indian Association of Canadian Studies, Indian Law Institute and Indian History Congress. Through her teaching, publications and association with many professional institutions she is an active contributor in the field of higher education.

She was conferred the Indira Gandhi Sadbhavana Award by the National Integration and Economic Council in 2005. She has been the Founder President of Parent's Forum for Meaningful Education.

Other than Dr. Kavita A Sharma and her relatives, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in the proposed **Ordinary Resolution** as set out in Item No. 4 of this Notice.

Keeping in view her expertise and knowledge, it will be in the interest of the Company that Dr. Kavita A Sharma is appointed as an Independent Woman Director.

Accordingly, the Board recommends the **Ordinary Resolution** as set out at Item No. 4 of this Notice for approval of the members of the Company.

Item No. 5

As per Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred to as "SEBI Listing Regulations"), with effect from 1st April, 2019, no listed Company shall appoint or continue the Directorship of a Director who has attained the age of 75 years, unless a Special Resolution is passed to that effect and justification thereof is indicated in the Explanatory Statement annexed to the Notice for such appointment.

Further, Mr. Jitendra Tuli, aged 80 years (date of birth 20th September, 1939) was re-designated as Director of the Company under section 152 of the Companies Act, 2013 and Rules made there under, liable to retire by rotation w.e.f October 1, 2019.

Mr. Jitendra Tuli is more than 75 years of age and accordingly as per Regulation 17(1A) of Listing Regulations, his continuation as Director of the Company, liable to retire by rotation, with effect from 1st October, 2019 shall require approval of shareholders by way of special resolution.

A brief justification for his continuation as Director on the Board of the Company with effect from 1st October, 2019 is as under:

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 was 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. He was also appointed as Managing Director of the Company for a period of three (3) years w.e.f October 1, 2019. His track record of managing the Company is also a plus for the Board.

Mr. Jitendra Tuli has around 56 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 Chairman & Managing Director of the Company in the past, he has ample experience and understanding of the business of the Company. In view of Board, the presence of Mr. Jitendra Tuli on the Board further enhances the diversity of the Board in terms of its composition.

The Board of Directors is of the opinion that Mr. Jitendra Tuli possesses relevant expertise and vast experience and his association as Director will be beneficial and in the best interest of the Company. His presence on the Board of the Company adds more value and gives confidence to the Board in its decisions. Further, his association supports a good balance in the composition of the Board.

Mr. Jitendra Tuli is not related to any of the Directors or Key Managerial Personnel (including relatives of Directors or Key Managerial Personnel) of the Company in terms of Section 2(77) of the Companies Act, 2013.

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

Accordingly, the Board recommends the **Special Resolution** as set out at Item No. 5 of this Notice for approval of the members of the Company

Item No. 6

As per Section 148 of the Companies Act, 2013 and Rules issued thereunder, as amended from time to time, Cast Iron Unit 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 2020-21 in respect of 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 June 26, 2020 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 2020-21, 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 upto Rs. 5000/- (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 thereunder, the remuneration payable to the Cost Auditor, as stated above, has to be ratified by members of the Company.

Accordingly, consent of the members is sought for passing an **Ordinary Resolution** as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for financial year 2020-21.

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 resolution as set out at Item No. 6 of the Notice.

The Board recommends the **Ordinary Resolution** as set out at Item No. 6 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: June 26, 2020

**Sd/-
Vimal Prasad Gupta
Company Secretary & Compliance Officer**

DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT 130th ANNUAL GENERAL MEETING OF THE COMPANY

Name of the Director	Mr. Dinesh Dhiman	Dr. Kavita A Sharma	Mr. Jitendra Tuli
Director Identification Number (DIN)	08021624	07080946	00272930
Date of Birth	11.02.1967	05.07.1950	20.09.1939
Date of Appointment	13.12.2017 (Appointed as an additional director on the Company). He was also appointed as Whole-Time Director designated as Executive Director (Engineering Operations) of the Company w.e.f. 13.12.2017 for a period of three years.	14.11.2019 (Appointed as an additional director of the Company)	20.12.2005 (Appointed as an additional director of the Company). 12.08.2019 (Appointed as Independent Director of the Company). 1.10.2019 (Re-designated as Director, liable to retire by rotation). He was also appointed as Managing Director of the Company effective from the same date.
Qualification	BE in Mechanical Engineering from BIT Dhanbad.	Ph.D. degree in English from the University of Delhi and LLM from the University of British Columbia, Canada.	B.Com (Hon.), 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 24 years of experience in foundry and other automotive component industry.	She served as Director of India International Centre, New Delhi during the period from August, 2008 to October, 2014 and was also Honorary visiting Lecturer at Tokyo Women's Christian College during the period 1974-75 and at University of Indonesia during the period 1977-78. She has been awarded with various fellowships including Faculty Enrichment Fellowship by Shastri Indo Canadian Institute at Vancouver, Academic Year 1991-92.	He has around 56 years of vast experience in Communications, external relations, media management and social responsibility.
Profile of the Director	Mr. Dinesh Dhiman joined Engineering Division in 2008. He was heading the Plant Operation of Engineering Division and designated as AVP-Operations. During his tenure with the Company, he has contributed in new product development, continuous improvements like castings weight optimisation / yield improvements and lead time reduction etc. besides supporting expansion / introduction of new technologies of the Engineering Division.	Dr. Kavita A Sharma holds Ph.D. degree in English from the University of Delhi. She is also LLM from the University of British Columbia, Canada. She started teaching in 1971 in Delhi University's Hindu College and became its Principal in 1998 and served there till 2008 thereafter she took up another challenging assignment as Director of India International Centre, New Delhi. She has published a number of books including Internationalization of Education, Sixty Years of University Grants Commission, Hindu College, Delhi- A People's Movement and The Windmills of the Mind etc. She has widely travelled around the world and also been an Honorary Visiting Lecturer at Tokyo's Women's Christian College and University of Indonesia. She is associated with many professional organisations including English Association, Indian Association of Canadian Studies, Indian Law Institute and Indian History Congress. Through her teaching, publications and association with many professional institutions she is an active contributor in the field of higher education. She was conferred the Indira Gandhi Sadbhavana Award by the National Integration and Economic Council in 2005. She has been the Founder President of Parent's Forum for Meaningful Education.	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 Amarjyoti Charitable Trust and as founder member of Cancer Sehyog.
Terms & Conditions of re-appointment along with details of remuneration sought to be paid and last drawn by him	Please refer respective item no. 2. Mr. Dinesh Dhiman, Whole Time Director designated as Executive Director (Engineering Operation) of the Company, in his capacity as director is liable to retire by rotation, being eligible, offers himself for re-appointment at the ensuing Annual General Meeting of the Company. He is drawing remuneration from the Company, in his capacity as Whole-Time Director designated as Executive Director (Engineering Operation) of the Company, which is mentioned in the Corporate Governance Report, forming part of this Annual Report	Please refer to respective resolution no. 4. She 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 respective resolution no. 5 and explanatory statement in respect of said resolution no. 5 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.
Shareholding in the Company as on 31.03.2020	Nil	Nil	Nil
Relationship with other directors and KMPs of the Company	Nil	Nil	Nil
No. of Meetings of Board attended during the year	7 (for details please refer to the Corporate Governance Report, forming part of this Annual Report)	2 (for details please refer to the Corporate Governance Report, forming part of this Annual Report)	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	Universal Cables Limited	DCM Nouvelle Limited
Chairman/Member of the Committees of Board of Directors of Indian Companies	Chairmanship(s) of Committees of the Board Nil Membership(s) of Committees of the Board Nil	Chairmanship(s) of Committees of the Board Nil Membership(s) of Committees of the Board Nil	Chairmanship(s) of Committees of the Board Nil Membership(s) of Committees of the Board DCM Limited - Corporate Social Responsibility Committee - Share Transfer, Finance Facilities and Stakeholders Relationship Committee DCM Nouvelle Limited - Stakeholder & Finance Facilitation Committee

DIRECTORS' REPORT

Your directors have pleasure in presenting this 130th Annual Report together with the Audited Financial Statements of your Company for the financial year ended March 31, 2020.

ECONOMIC SCENARIO

Global growth moderated to 2.9% in 2019 vis-à-vis 3.6% in 2018. At regional level, India too, saw a loss in growth momentum, with decreased investment activity and slow industrial growth. Even the US economy witnessed moderation in growth as the support from tax cuts faded. Global merchandise trade suffered a serious setback in 2019 due to strains in US-China trade relations.

Moreover, the trade activity (both goods and services) is likely to remain weak in at least the first nine months of 2020 as the lockdown amidst the Covid-19 pandemic will significantly impact trade dynamics this year.

Even before the outbreak of COVID-19, India's growth rate was expected to be moderate in FY 2020 as the economy was grappling with both local and global demand slow-down and sector-specific issues. As per the provisional estimates, the overall GDP growth was pegged in at 4.2% in FY 2020 vis-a-vis 6.1% in FY 2019.

India's growth rate in the fourth quarter of the fiscal year 2020 decreased to 3.1% according to the Ministry of Statistics. Notably India had also been witnessing a pre-pandemic slowdown, and according to the World Bank, the current pandemic has "magnified pre-existing risks to India's economic outlook". The World Bank and rating agencies had initially revised India's growth for FY 2021 with the lowest figures seen in three decades since India's economic liberalization in the 1990s.

The Government of India announced a variety of measures to tackle the COVID 19 pandemic situation, from food security and extra funds for healthcare and for the states, to sector related incentives and tax deadline extensions.

Prime Minister Narendra Modi's recent announcement of a Rs. 20 lakh crore financial package to revive the economy would help to create a more self-reliant India.

After the pandemic, India is expected to emerge as one of the attractive alternative market to China.

FINANCIAL DATA

Particulars	Financial Year ended March 31, 2020 (Rs. in Lakhs)	Financial Year ended March 31, 2019 (Rs. in Lakhs)
Profit before Interest, Depreciation and Tax	(881.03)	6,479.20
Less: -Finance Cost	1,071.90	2,755.20
-Depreciation	1,177.13	3,443.82
Profit before Tax	(3,130.06)	280.18
Less -Provision for tax	(56.29)	80.55
Profit after tax	(3,073.77)	199.63
Other Comprehensive income	(35.54)	28.16
Total Comprehensive income	(3,109.31)	227.79
Add - Profit brought forward	10,069.69	9,841.97
Add \Less adjustment on Amalgamation \Demerger	(8,624.50)	0.07

Particulars	Financial Year ended March 31, 2020 (Rs. in Lakhs)	Financial Year ended March 31, 2019 (Rs. in Lakhs)
Profit available for appropriation	(1664.12)	10,069.69
Appropriations:		
Interim Dividend on equity shares	-	-
Proposed Final Dividend on equity shares	-	-
Corporate Dividend Tax	-	-
General Reserves	-	-
Balance Profit carried forward	(1664.12)	10,069.69

The Company has adopted Indian Accounting Standard (Ind AS) with effect from 1st April, 2017. Accordingly, financial statements for the year ended 31st March, 2020 have been prepared in accordance with 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.

COVID-19 PANDEMIC AND ITS IMPACT

Towards the end of the financial year, the World Health Organization (WHO) declared Covid-19 a pandemic outbreak epidemic, which infected millions and resulted in a significant number of death globally. The Covid-19 pandemic is the defining global health crisis of our time and is spreading very fast across the continents. But it is much more than a health crisis and is having an unprecedented impact on people and economies worldwide.

The Ministry of Home Affairs, Government of India on March 24, 2020 notified the first-ever nationwide lockdown in India to contain the Covid-19 pandemic. The Government had started to lift the lockdown in phases from the beginning of May 2020.

In view of the pandemic, the Company undertook timely and essential measures to ensure the safety and well-being of its employees. The office-based employees were allowed to work from home by providing adequate digital and other assistance. The Company observed all the government advisories and guidelines thoroughly and in good faith.

The Management has been closely reviewing the impact of COVID-19 on the Company. Due to continuation of lockout of Engineering Business Undertaking declared on October 22, 2019, the operation of the said Business Unit remained suspended during the lock down period on account of COVID-19. Based on current indicators of future economic conditions, the Company has concluded that the impact of COVID 19 is not material on long term basis on the future potential of its said Engineering Business Unit and real estate operation. Due to the nature of the pandemic, the Company will continue to monitor any material changes on the future economic conditions and relating to its Businesses in future periods.

TRANSFER TO RESERVES

No amount is proposed to be transferred to the General Reserve out of the amount available for appropriation.

DIVIDEND

Your directors do not recommend any dividend for the financial year 2019-20.

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 and form part of this Annual Report.

OPERATIONS OVERVIEW

Engineering Division

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

During the year, the Division achieved total dispatch of 15,271 MT (previous year 46,615 MT). The Engineering Division continued to make losses because of lower volume due to production constraints and high rejection primarily on account of situation of industrial unrest coupled with automobile recession, decline in margin because of increased input cost and under recovery of the fixed overheads.

Further, the adverse labour action had created a situation which has resulted in lock-out effective from October 22, 2019.

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 grow the business operations.

Pursuant to above, the Board of Directors of the Company in its meeting held on 28.11.2019 have approved a Composite Scheme of Arrangement. This Scheme provides for transfer of Engineering Business of the Company into DCM Engineering Ltd., a wholly owned subsidiary of the Company, on a going concern basis by way of slump sale to facilitate the strategic investment and restructuring of outstanding loan, debts and liabilities pertaining to the Engineering Business to improve its serviceability.

IT Division

The erstwhile IT Division of the Company is an established service provider for managed IT Services globally. The Division has over a decade's experience in IT Infrastructure services specializing in networking, analytics, cloud, and digital technologies.

Pursuant to the approval given by the Board in its meeting held on September 16, 2019, the IT Division of the Company stand transferred and vested with DCM Infotech Limited, a Wholly Owned Subsidiary of the Company pursuant to the Business Purchase Agreement entered into and with DCM Infotech Limited w.e.f September 16, 2019.

Therefore, the operation of the IT division for the period 01.04.2019 to 15.09.2019 remained with the Company.

During the said period of 01.04.2019 to 15.09.2019, the sales and other income of the Division was Rs. 22.31 Crores {previous year Rs. 44.12 Crores (Twelve months)} and Profit before Tax (PBT) was Rs 1.44 Crores {previous year Rs. 1.77 Crores (Twelve months)}.

During the said period the operations were stable after the cut-backs by some of Division's primary customers in the previous year pursuant to downturn in their business.

SCHEMES OF ARRANGEMENT/AMALGAMATION

1. NCLT vide its Order dated May 01, 2019 has sanctioned the Scheme of Arrangement between the Company and DCM Nouvelle Limited, a wholly owned subsidiary of the Company ('Resulting Company') and their respective shareholders and creditors under sections 230-232 read with section 66 and other applicable provisions of the Companies Act, 2013, for the demerger of the cotton textile business undertaking of the Company and vesting of the same with Resulting Company, on a going concern basis

with effect from appointed date of April 1, 2019. The said scheme has become effective on May 13, 2019.

Further, pursuant to the said scheme becoming effective 50,000 (100%) equity shares held by the Company and its nominees in the Resulting Company stand cancelled with effect from May 13, 2019.

The Resulting Company has issued and allotted its 1,86,77,749 equity shares of Rs.10/- each fully paid-up to the shareholders of Demerged Company, whose names appear in the Register of Members and in the statement of beneficial position furnished by the depositories as at close of business hours on Friday, May 31, 2019, in terms of the following Shares Entitlement Ratio stated in the Scheme of Arrangement:

"1(one) equity share of Rs.10/- each of Resulting Company, credited as fully paid-up, for every 1 (one) equity share of Rs.10/- each, fully paid-up held in the Demerged Company."

In terms of said Scheme of Arrangement, the aforesaid equity shares of Resulting Company have been listed at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) under securities code 542729 (BSE) and DCMNVL (NSE).

2. The Board of Directors in their meeting held on November 28, 2019 had approved the Composite Scheme of Arrangement (referred hereinafter "Composite Scheme") among DCM Limited and DCM Engineering Limited and their respective shareholders and Creditors, subject to requisite approvals of shareholders, creditors, NCLT and other regulatory authorities.

In terms of Regulation 37 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time, the Company has received No Objection from BSE Limited and National Stock Exchange of India Limited vide their letter(s) dated June 24, 2020.

MATERIAL CHANGES AND COMMITMENTS

In view of continued situation of industrial unrest at Engineering Business Division, lockout was declared on October 22, 2019 at Engineering Business Undertaking situated at Village Asron, District Shaheed Bhagat Singh Nagar (Punjab). The said lockout continued as on the date of this Directors' report and no production was carried out in the Engineering Division subsequent to the lockout.

'DCM Data Systems' IT Business Undertaking of the Company situated at 316 Udyog Vihar Phase-II, Gurgaon, Haryana -122016 has been transferred and vested with and into DCM Infotech Limited, a wholly Owned Subsidiary of the Company w.e.f. September 16, 2019 as a going concern by way of slump sale.

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, 2020 and the date of this Report except as stated above.

CHANGES IN SHARE CAPITAL

The Company has adjusted the amount of calls in arrear amounting to Rs. 31,175/- with effect from appointed date of April 1, 2019 in the reserves and surplus in terms of the Scheme of Arrangement between the Company and DCM Nouvelle Limited ('Resulting Company'), for the demerger of the cotton textile business undertaking of the Company sanctioned by NCLT vide its order dated May 1, 2019.

Further, 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

At present, the Company has six subsidiaries and one associate company within the meaning of Section 2(87) and 2(6) of the Companies Act, 2013 respectively.

There has been no material change in the nature of the business of the subsidiaries and associate company except DCM Infotech Limited (earlier known as DCM Realty Investment and Consulting Limited), subsidiary Company. IT Business Undertaking of DCM Limited has been transferred/vested with DCM Infotech Limited as a going concern by way of slump sale w.e.f. September 16, 2019.

Pursuant to provisions of Section 129(3) and other applicable provisions of the Companies Act, 2013 read with Rules made thereunder, 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 standalone financial statements of the Company at page no. 166 and hence not repeated here for the sake of brevity.

Pursuant to the provisions of Section 136 of the Companies Act, 2013, 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.

The Board of Directors of the Company in their meeting held on June 26, 2020 has approved for removal/ strike off the name of certain non-operative subsidiary(ies) of the Company from the Register of Companies (ROC) record. The necessary steps are being taken by the respective Companies in this regard.

DIRECTORS

Mr. Dinesh Dhiman, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment as a director of the Company. Accordingly, a resolution is included in the Notice of forthcoming 130th Annual General Meeting (AGM) of the Company for seeking approval of members for his appointment as a director of the Company, liable to retire by rotation.

Further, Mr. Jitendra Tuli was re-designated as director liable to retire by rotation as well as Managing Director of the Company w.e.f. October 1, 2019 for a period of three years. As Mr. Jitendra Tuli is more than 75 years of age and pursuant to Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time (hereinafter referred to as 'SEBI Listing Regulations'), suitable resolution for continuation of appointment of Mr. Jitendra Tuli in his capacity as director of the Company, liable to retire by rotation w.e.f. October 1, 2019, has also been included in the Notice of forthcoming 130th AGM of the Company for seeking approval of members of the Company by Special Resolution.

During the year under review, Dr. Kavita A Sharma was appointed as Additional Director as well as Independent Woman Director of the Company for a period of five (5) consecutive years w.e.f. November 14, 2019 to November 13, 2024, subject to the approval of shareholders of the Company in the ensuing AGM. Accordingly, a resolution is included in the Notice of forthcoming 130th Annual General Meeting (AGM) of the Company for seeking approval of members for her appointment as an Independent Woman Director of the Company.

Due to his various other professional obligations and arduous travelling requirements, Mr. L Lakshman, Independent Director of the Company has resigned on June 29, 2019 from the Board of Directors of the Company before the expiry of his term as Independent Director of the company. In terms of SEBI Listing Regulations, Mr. L Lakshman has provided necessary confirmation that there are no other material reasons for his resignation other than those provided.

Dr. Raghupati Singhania, Independent Director of the Company has resigned on July 10, 2019 from the Board of Directors of the Company before the expiry of his term as Independent Director of the company due to his increasing other commitments. In terms of SEBI Listing Regulations, Dr. Raghupati Singhania has also provided necessary confirmation that there are no other material reasons for his resignation other than those provided.

On account of preoccupation with other professional activities related to not-for-profit venture, Dr. Meenakshi Nayar, Independent Woman Director of the Company has resigned on August 6, 2019 from the Board of the Directors of

the Company before the expiry of her term as Independent Director of the Company. In terms of SEBI Listing Regulations, Dr. Meenakshi Nayar has provided necessary confirmation that there are no other material reasons for her resignation other than those provided.

The Board placed on records its sincere appreciation and thanks for the valuable contributions made by Mr. L Lakshman, Dr. Raghupati Singhania and Dr. Meenakshi Nayar as Independent Directors of the Company.

Mr. Sumant Bharat Ram, Director and Mr. Sushil Kapoor, Executive Director (Engineering Business) of the Company has resigned from the directorship of the Company w.e.f. August 21, 2019 and September 30, 2019 respectively. The Board placed on record its sincere appreciation and thanks for the valuable contributions made by Mr. Sumant Bharat Ram and Mr. Sushil Kapoor as Directors of the Company.

During the period under review, Dr. Vinay Bharat Ram ceased to be Managing Director of the Company w.e.f. September 30, 2019. However, he continues to be Chairman and Non-Executive Director of the Company.

Mr. K S Nagoyal, Nominee Director of Life Insurance Corporation of India (LIC) has resigned from the directorship of the Company w.e.f. August 17, 2020. The Board placed on record its sincere appreciation and thanks for the valuable contributions made by Mr. K S Nagoyal as Director 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 there under and Regulation 16(1)(b) of the SEBI Listing Regulations 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 Regulations, 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.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- 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;
- 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.);
- 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
- 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

Pursuant to sanction of Scheme of Arrangement between the Company and DCM Nouvelle Limited ('Resulting Company') by NCLT and its becoming effective from May 13, 2019, the Textile Division of the Company stands transferred and vested in the Resulting Company. Pursuant to above, Mr. Hemant Bharat Ram, President (Textiles) ceased to be employee of Company and was deemed to become employee of Resulting Company.

Pursuant to the sale of IT Business undertaking of the Company to DCM Infotech Limited, a wholly owned subsidiary of the company w.e.f. September 16, 2019, Mr. Varun Sarin, Chief of Operations & Finance, IT Division ceased to be employee of Company with effect from September 16, 2019.

Further, Dr. Vinay Bharat Ram has resigned from the position of Managing Director of the Company w.e.f. September 30, 2019. However he continues as Chairman of the Company. Mr. Jitendra Tuli has been appointed as Managing Director of the Company w.e.f. October 1, 2019 for a period of three years.

During the period under review Mr. Sushil Kapoor Whole –Time Director designated as Executive Director (Engineering Business) of the Company resigned from the Directorship of the Company w.e.f. September 30, 2019.

During the period under review Mr. Yadvinder Goyal, Company Secretary & Compliance Officer of the Company resigned w.e.f. September 6, 2019. Further, the Company appointed Mr. Vimal Prasad Gupta as Company Secretary & Compliance officer of the Company w.e.f. October 21, 2019.

Accordingly, as on date, the following persons are Whole-Time Key Managerial Personnel ('KMP') of the Company in terms of provisions of Section 203 of the Companies Act, 2013:

- a. Mr. Jitendra Tuli – Managing Director
- b. Mr. Dinesh Dhiman – Executive Director (Engineering Operations)
- c. Mr. Ashwani Kumar Singhal – Chief Financial Officer
- d. Mr. Vimal Prasad Gupta – Company Secretary

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 and 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.

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

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

STATUTORY AUDITORS

M/s BSR & Co. LLP, Chartered Accountants, Statutory Auditors has shown their inability to continue as Statutory Auditors of the Company for commercial considerations as they are not able to recover reasonable portion of their time cost and have tendered their resignation vide their letter dated September 27, 2019 before the expiry of their terms, resulting into a casual vacancy in the office of Statutory Auditors of the Company.

Further, on the recommendation of the Audit Committee, the Board of Directors in its meeting held on September 30, 2019 had proposed to the members, the appointment of M/s S S Kothari Mehta & Company, Chartered Accountants as Statutory Auditor of the Company to fill the casual vacancy arisen due to the resignation of M/s BSR & Co. LLP. The shareholders of the Company gave their consent for the appointment of M/s S S Kothari Mehta & Company, as Statutory Auditor of the Company to fill the casual vacancy and to hold office up to the conclusion of forthcoming 130th Annual General Meeting of the Company scheduled to be held on September 25, 2020 as per the provisions of Companies Act, 2013 and Rules made thereunder.

Further, on the recommendation of Audit Committee, the Board of Directors in its meeting held on June 26, 2020 recommend the appointment of M/s S S Kothari Mehta & Company, Chartered Accountants, as Statutory Auditor of the Company for a period of Five (5) years from the conclusion of 130th AGM to 135th AGM of the Company.

Accordingly, a resolution is included in the Notice of forthcoming 130th Annual General Meeting (AGM) of the Company for seeking approval of members for the appointment of M/s S S Kothari Mehta & Company, Chartered Accountants as a Statutory Auditor of the Company for a period of five (5) years.

Further, as per the requirement of Regulation 36(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time, necessary detail and rational for the appointment of Statutory Auditors of the Company is included in the Explanatory Statement pursuant to Section 102 of the Notice of 130th Annual General Meeting.

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

The Statutory Auditors, Cost Auditors or 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.

DIRECTORS' VIEW ON AUDITORS' OBSERVATIONS/OPINION

The Statutory Auditors' Report for financial year 2019-20 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 DEPOSIT / DEBT REPAYMENT

The Company has complied with its debt repayment obligation 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, including in respect of fixed deposits, debentures, 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.

In case invested amount remains unclaimed and un-encashed for a period of seven years from the date it becomes due for payment, the same has been /will be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Govt.

Your Company has uploaded the relevant details of amount lying unclaimed /unencashed, as on the date of last Annual General Meeting, on account of matured Fixed Deposits and Debentures on the website of Ministry of Corporate Affairs (MCA) as well as on its website www.dcm.in. Deposit-holders/Debenture-holders may kindly check the said information and if any amount on account of matured deposits, matured debentures, or interest thereon is appearing as unclaimed / un-encashed against their name, they may lodge their claim, duly supported by relevant documents to the Company.

Any person whose unclaimed/un-encashed matured fixed deposits, matured debentures, or interest thereon, have been transferred to the IEPF, can apply for refund, as the case may be, by making an application to the IEPF Authority, in Form No. IEPF-5 available on www.iepf.gov.in. Therefore, it is in the interest of deposit-holders/debenture-holders to claim the unclaimed/un-encashed amount of matured fixed deposits, matured debentures or interest thereon within scheduled time.

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, as the Company has not accepted any deposit after the commencement of the Companies Act, 2013.

TRANSFER OF UNCLAIMED DIVIDEND AMOUNTS AND RELEVANT EQUITY SHARES TO THE INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to Sections 124 and 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), dividend, if not claimed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF").

Further, all the shares in respect of which dividend has remained unclaimed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also require to be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

The details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority are available on the Company's website (www.dcm.in).

Accordingly, during the year under review, the Company has transferred the unclaimed final dividend amount of Rs. 14,19,073 /- for FY 2011-12 and Interim Dividend amount of Rs. 9,32,258 for FY 2012-13 which were outstanding for 7 consecutive years. Further 18,812 & 13,953 Equity Shares of the Company, in respect of unclaimed final dividend for FY 2011-12 and Interim Dividend for FY 2012-13 respectively, have also been transferred by the Company to the demat account of IEPF Authority.

Any shareholder, whose shares, unclaimed/un-encashed dividend have been transferred to the IEPFA, can claim back the shares or apply for refund from IEPFA, as the case may be, by making an application to the IEPFA, in Form No. IEPF-5 available on www.iepf.gov.in. Therefore, it is in the interest of shareholders to claim the unclaimed amount of dividend, with in scheduled time.

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 31.03.2020 (Rs. in Lakhs)
1	2012-13	Final Dividend	24.09.2020	8.85
2	2013-14	Interim Dividend	19.01.2021	9.69
3	2013-14	Final Dividend	10.10.2021	9.02
4	2014-15	Interim Dividend	20.01.2022	9.66
5	2014-15	Final Dividend	24.10.2022	9.55
6	2015-16	Interim Dividend	15.01.2023	9.35
Total				56.12

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 framework. In the opinion of the Board there has been no identification of elements of risk that may threaten the existence of the Company.

AUDIT COMMITTEE

As on March 31, 2020, the Audit Committee of the Company consists of Mr. Bipin Maira, Chairman, Mr. Ravi Vira Gupta 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)

As on March 31, 2020, the CSR Committee of the Company consists of Dr. Vinay Bharat Ram, Chairman, Mr. Ravi Vira Gupta and Mr. Jitendra Tuli, as members of the CSR Committee.

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

A statement showing details pertaining to remuneration and other details 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, is enclosed as Annexure – IIA, and forms part of this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS U/S 186

Particulars of investments made and loans given are provided in the standalone financial statements. (Please refer to Note Nos. 5, 6 and 9 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 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 31.03.2020 was Rs. 306.33 crores (previous year Rs. 354.21 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.

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. 49 to the standalone financial statements which sets out related party disclosures.

EXTRACT OF ANNUAL RETURN

The details forming part of Extract of Annual Return in prescribed form MGT-9 is enclosed as Annexure- IV and forms part of this Report and is also available on website of the Company i.e. www.dcm.in

The Annual Return of the Company has been placed on the website of the company and can be accessed at www.dcm.in

SECRETARIAL AUDIT

The Board has appointed Mrs. Pragya Parimita Pradhan (M. No. A32778 and CP No.12030), Company Secretary in whole time practice, Proprietor of M/s. Pragya Pradhan & Associates, Company Secretaries, to conduct Secretarial Audit for financial year 2019-20.

The Secretarial Audit Report for the financial year 2019-20 under the Companies Act, 2013, read with Rules made thereunder and Regulation 24A of the SEBI Listing Regulations is enclosed herewith as Annexure – V, and forms part of this Report.

The Secretarial Compliance Report for the financial year ended 31st March, 2020, in relation to compliance of all applicable SEBI Regulations and circulars / guidelines issued thereunder, pursuant to requirement of Regulation 24A of SEBI Listing Regulations read with SEBI Circular CIR/CFD/CMD1/27/2019 dated June 19, 2020 is enclosed herewith as Annexure - V-1, 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 does 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, KMP or at Senior Management 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)

The Remuneration to Executive Directors will be approved by the Board of Directors based on the recommendations of the Committee, subject to the approval of shareholders and such other authorities as may be applicable. The concerned Executive Director will not participate in such discussions of the Board/Committee.

The compliance of the relevant provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended to from time to time regarding the limits of remuneration will be ensured.

The remuneration to include basic salary, commission/variable component, if any, perquisites and allowances, contribution to provident, superannuation fund and gratuity etc.

In the event, the remuneration payable to Managing Director/Whole-Time Director exceed the limits laid down under Section 197 and 198 read with Schedule V of the Companies Act, 2013, the same shall be subject to such approvals, as may be necessary.

Remuneration to Non-Executive and Independent Directors

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 approved by the Board of Directors and Shareholders of the Company.

The amount of such fees and commissions shall be subject to ceiling/limits as provided under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

Key Managerial Personnel (KMP)/Senior Management Personnel/other Officers and Staff

The Remuneration to be paid to KMP's/ Senior Management Personnel/ other officers & staff is based on the role and responsibilities in the

Company, the experience, qualification, skills and competencies of the related personnel / employees, the market trends, practices and benchmarks.

The positioning strategy is to see that the compensation provides adequate opportunity to attract the required talent and retain the same to be able to meet the requirements of the job and business.

The remuneration is subject to review on the basis of individual and business performance and inflation/market trends. The performance of employees is reviewed based on competency assessment and key results delivered. The performance assessment, more specifically, is used as an input to determine merit/special increments, performance bonus, rewards, incentives (short term and long term) and other recognitions/promotions.

The objective is to ensure that the compensation engage the employees to give their best performance.

The Nomination and Remuneration Policy is enclosed herewith as Annexure - VI, which forms part of this Report and is also available on the website of the company at weblink <https://dcm.in/wp-content/uploads/2020/07/NOMINATION-AND-REMUNERATION-POLICY.pdf>

COST AUDIT

During the financial year 2019-20, the Company was required to maintain cost records as specified by Central Government under section 148(1) of the Companies Act, 2013 in respect of 'Cast Iron Unit' of the Company namely 'DCM Engineering Products' located at Shaheed Bhagat Singh Nagar, Punjab.

Accordingly, the Board of Directors in its meeting held on June 26, 2020 have approved the appointment of M/s. V Kumar & Associates, Cost Accountants (Firm Registration Number 100137), as Cost Auditors, for financial year 2020-21, 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 fee upto Rs. 5,000/- (Rupees Five Thousand only) plus GST & out-of-pocket expenses, if any.

In terms of Section 148 of the Companies Act, 2013 and rules made thereunder, remuneration of Cost Auditor as stated above is to be ratified by members of the Company. Accordingly, suitable resolution has been included in the Notice of forthcoming 130th Annual General Meeting for ratification of remuneration payable to Cost Auditor, for financial year 2020-21, by members 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.

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://www.dcm.in/wp-content/uploads/2016/10/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://www.dcm.in/wp-content/uploads/2016/10/Policy-on-related-party-transactions.pdf>
4. The Company has formulated and published 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. Annual Report on CSR Activities is enclosed as Annexure - VII and forms part of this Report.
6. 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.
7. 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 Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
8. 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**

Place: Delhi
Date: August 26, 2020

**Sd/-
Dr. Vinay Bharat Ram
Chairman**

ANNEXURE – I

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, 2020.

(A) CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy

Engineering Division:

The Division has taken various steps by process improvement on conservation of energy including:

- Yield improvement and weight reduction;
- Conversion of Water jacket core to cold box technology from electrical heating;
- More energy efficient Transformer installed.

***IT Division:**

The operations involve low energy consumption. Wherever possible, energy conservation measures have been implemented. Efforts to conserve and optimize the use of energy are a continuous process.

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

Engineering Division - Nil

***IT Division - Nil**

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

Engineering Division - Nil

***IT Division - Nil**

(B) TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption

Engineering Division - Nil

***IT Division - Nil**

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution

Engineering Division - Quality improvement & technology upgradations towards the new generations' castings

***IT Division - NA**

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

Engineering Division

(a) The details of technology imported:

- Loramendi Sand Mixer Boroscope
- Accumulator
- Carbon/Sulphar element analyser
- Sand Mixer Gear Box

(b) The year of import:

- Loramendi Sand Mixer Boroscope- FY 2016-17
- Accumulator- FY 2016-17
- Carbon/Sulphar element analyser – FY 2017-18
- Sand Mixer Gear Box – FY 2017-18

(c) Whether the technology been fully absorbed: Yes

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: NA

***IT Division – Nil**

(a.) The details of technology imported – N.A.

(b.) The year of import – N.A.

(c.) Whether the technology been fully absorbed – N.A.

(d.) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof – N.A.

(iv) The expenditure incurred on Research and Development

Engineering Division

The Department of Scientific & Industrial Research, Ministry of Science and Technology, Delhi has given its approval for Recognition of In house R&D Unit for the period from 01.04.2018 to 31.03.2021. In pursuit of R & D endeavors, the Division is regularly incurring the expenditure on R&D. The expenditure incurred on Research and Development during the year:

Rs. In Lacs

Particulars	Financial Year ended March 31, 2020	Financial Year ended March 31, 2019
Capital expenditure	10.50	0.83
Revenue expenditure	59.83	148.29
Development expenditure	72.12	64.74
Total	142.45	213.86

R & D activities has resulted in new product development, continuous improvement of existing products for enhanced durability & performance, up gradation of products to the new requirements, reduced operation cost and new business opportunities because of cost, quality and latest technology.

***IT Division – Nil**

(C) FOREIGN EXCHANGE EARNINGS & OUTGO

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

Rs. In Lacs

Particulars	Financial Year ended March 31, 2020	Financial Year ended March 31, 2019
Foreign Exchange Earned	1,850.27	44,248.31
Foreign Exchange Used	1,177.28	3,365.82

**IT Division of the Company stand transferred and vested with DCM Infotech Limited, a Wholly Owned Subsidiary of the Company pursuant to the Business Sale Agreement entered into and with DCM Infotech Limited w.e.f September 16, 2019. Hence the detail of IT Division of the Company was upto September 15, 2019.*

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

Sd/-

Place: Delhi
Date: August 26, 2020

**Dr. Vinay Bharat Ram
Chairman**

ANNEXURE – II

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 including details of employees employed for a part of the financial year, was in receipt of remuneration, at a rate which, in the aggregate, was not less than eight lakh and fifty thousand rupees per month:

Sr. No.	Name	Age (Year)	Designation	Qualification	Total Experience (Year)	Date of Commencement of employment	Remuneration received (Rs. In lacs)	Particulars of last Employment	% age of Equity Shares held in the Company	Whether relative of Director or manager, if yes, then Name of Director or manager
1	Dr. Vinay Bharat Ram [#]	84	Chairman	B.A. (Hons.) Economics, University of Delhi, MBA, Michigan University (Ann Arbor), Management Development Programme, Harvard University, Ph.D. in Economics from University of Delhi	58	January 30, 2016	75.55	DCM Engineering Ltd.	Nil	No
2	Mr. Ashwani Kumar Singhal	63	Chief Financial Officer	B. Com. (H), FCA, Ph.D.	40	February 5, 1993	61.02	Modi Rubbers Ltd.	Nil	No
3	Mr. Sushil Kapoor [*]	60	Executive Director – Engineering Business	B. Tech Mechanical Engineering, IIT Delhi; Professional Course on Strategy & Organization from Stanford University	37	January 15, 2018	54.90	SRF Limited	Nil	No
4	Mr. Dinesh Dhiman	53	Executive Directors-Engineering Operation	B.E.	27	June 30, 2008	40.08	Amtek India Limited	Nil	No
5	Mr. Varun Sarin [^]	58	Chief of Operations & Finance-IT Division	B. Com, CA	33	March 8, 1999	30.68	PT Indorama, Indonesia	Nil	No
6	Mr. Sudhir Kumar ^{*^}	52	GM-Engineering Division	LLB	25	July 17, 2017	23.10	Shalimar Paints Ltd	Nil	No
7	Mr. Hemant Bharat Ram [*]	54	President (Textiles)	B.S. (Math & Comp. Sc.), MS (IA)	29	August 1, 1991	19.99	DCM Technologies Ltd.	Nil	Yes, Dr. Vinay Bharat Ram, (Chairman)
8	Mr. V K Bhatia ^{**^}	56	Chief Technology Officer-IT Division	B.E (Hons) - Electrical & Electronic	34	October 18, 1986	15.05	Indian Communication Network	Nil	No
9	Mr. Yadvinder Goyal ^{*#}	45	Company Secretary	Company Secretary	20	May 02, .2014	14.35	Competent Automobiles Co. Ltd.	Nil	No
10	Mr. Animesh J Mathur ^{**#}	54	Vice President Marketing	B E (Hons) – Instrumentation & Controls	31	August 23, 1989	13.32	Nil	Nil	No

[#]Dr. Vinay Bharat Ram ceased to be Managing Director of the Company w.e.f. September 30, 2019. Accordingly, remuneration paid to him in his capacity as Managing Director of the Company was up to September 30, 2019. Further no remuneration was paid to him in his capacity as Chairman & Director of the Company.

Annexure - IIA to the Directors' Report

*Mr. Sushil Kapoor ceased to be Executive Director (Engineering Business) of the Company w.e.f. September 30, 2019. Accordingly his remuneration was up to September 30, 2019.

**Mr. Varun Sarin ceased to be Chief of Operations & Finance -IT Division of the Company w.e.f. September 16, 2019 pursuant to sale of IT Division of the Company to DCM Infotech Limited, a wholly owned subsidiary of the Company through Business Sale Agreement. Accordingly his remuneration was up to September 15, 2019.

*Pursuant to sanction of Scheme of Arrangement between the Company and DCM Nouvelle Limited ('Resulting Company') by NCLT and its becoming effective from May 13, 2019, the Textile Division of the Company stand transferred and vested in the Resulting Company. Pursuant to same Mr. Hemant Bharat Ram, President (Textiles) ceased to be employees of Company and was deemed to become employees of Resulting Company with effect from appointed date of April 1, 2019.

**Mr. Sudhir Kumar ceased to be GM-Engineering Division of the Company w.e.f. December 2, 2019. Accordingly his remuneration was upto December 2, 2019.

***Mr. V K Bhatia ceased to be Chief Technology Officer-IT Division of the Company w.e.f. September 16, 2019 pursuant to sale of IT Division of the Company to DCM Infotech Limited, a wholly owned subsidiary of the Company through Business Sale Agreement. Accordingly his remuneration was upto September 15, 2019.

*Mr. Yadvinder Goyal ceased to be Company Secretary of the Company w.e.f. September 6, 2019. Accordingly his remuneration was upto September 6, 2019.

**Mr. Animesh J Mathur ceased to be Vice President Marketing- IT Division of the Company w.e.f. September 16, 2019 pursuant to sale of IT Division of the Company to DCM Infotech Limited, a wholly owned subsidiary of the Company through Business Sale Agreement. Accordingly his remuneration was upto September 15, 2019.

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.

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

Place: Delhi

Date: August 26, 2020

Sd/-
Dr. Vinay Bharat Ram
Chairman

ANNEXURE – IIA

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.

(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
Mr. K S Nagnyal*	NA
Dr. Kavita A Sharma**	NA
Mr. L Lakshman*	NA
Dr. Meenakshi Nayar*	NA
Mr. Ravi Vira Gupta	NA
Dr. Raghupati Singhania*	NA
Prof. Sudhir Kumar Jain	NA
Mr. Sumant Bharat Ram*	NA
Executive Director(s)	
Dr. Vinay Bharat Ram [^]	NA
Mr. Jitendra Tuli [^]	NA
Mr. Sushil Kapoor ^{^^}	NA
Mr. Dinesh Dhiman	16.2690

[#]All the 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.

*Mr. L Lakshman, Dr. Raghupati Singhania, Dr. Meenakshi Nayar, Mr. Sumant Bharat Ram and Mr. K S Nagnyal ceased to be Directors of the Company w.e.f. June 29, 2019, July 10, 2019, August 6, 2019, August 21, 2019 and August 17, 2020 respectively.

**Dr. Kavita A Sharma was appointed as an Independent Woman Director w.e.f. November 14, 2019.

[^]Dr. Vinay Bharat Ram ceased to be Managing Director of the Company w.e.f. September 30, 2019. Further no remuneration was paid to him in his capacity as Chairman & Non –Executive Director. As he remained in employment in his capacity as Managing Director of the Company, for the part of year, therefore, the said ratio of remuneration of each director to median remuneration of the employee of the company is not applicable.

[^]Mr. Jitendra Tuli was designated as Managing Director of the Company w.e.f. October 1, 2019. Further no remuneration was paid to him in his capacity as Managing Director. However he has been paid sitting fee as being paid to other non executive Director for attending the meetings of Board or Committee, therefore, the said ratio of remuneration of each director to median remuneration of the employee of the company is not applicable.

^{^^} Mr. Sushil Kapoor ceased to be Executive Director (Engineering Business) of the Company w.e.f. September 30, 2019. As he remained in employment in his capacity as Executive Director of the Company, for the part of year, therefore, the said ratio of remuneration of each director to median remuneration of the employee 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
Mr. L Lakshman*	NA
Dr. Meenakshi Nayar*	NA
Mr. Ravi Vira Gupta	NA
Mr. Raghupati Singhania*	NA
Prof. Sudhir Kumar Jain	NA
Mr. K S Nagnyal*	NA
Mr. Sumant Bharat Ram*	NA
Dr. Kavita A Sharma**	NA

Particulars	% increase in remuneration in the financial year
Executive Director(s)	
Dr. Vinay Bharat Ram [^]	NA
Mr. Jitendra Tuli [^]	NA
Mr. Sushil Kapoor ^{^^}	NA
Mr. Dinesh Dhiman	5.5323

[#]All the 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 of Directors is not applicable.

*Mr. L Lakshman, Dr. Raghupati Singhania, Dr. Meenakshi Nayar, Mr. Sumant Bharat Ram and Mr. K S Nagnyal ceased to be Directors of the Company w.e.f. June 29, 2019, July 10, 2019, August 6, 2019, August 21, 2019 and August 17, 2020 respectively.

**Dr. Kavita A Sharma was appointed as an Independent Woman Director w.e.f. November 14, 2019.

[^]Dr. Vinay Bharat Ram ceased to be Managing Director of the Company w.e.f. September 30, 2019. Further no remuneration was paid to him in his capacity as Chairman & Non –Executive Director. As he remained in employment in his capacity as Managing Director of the Company, for the part of year, therefore, the said percentage increase in his remuneration is not applicable.

[^]Mr. Jitendra Tuli was designated as Managing Director of the Company w.e.f. October 1, 2019. Further no remuneration was paid to him in his capacity as Managing Director. However he has been paid sitting fee as being paid to other non executive Director for attending the meetings of Board or Committee, therefore, the said percentage increase in his remuneration is not applicable.

^{^^} Mr. Sushil Kapoor ceased to be Executive Director (Engineering Business) of the Company w.e.f. September 30, 2019. As he remained in employment in his capacity as Executive Director of the Company, for the part of year, therefore, the said percentage increase in his remuneration 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)	6.4828
Mr. Varun Sarin* Chief of Operations & Finance- IT Division	NA
Mr. Yadvinder Goyal** (Company Secretary)	NA
Mr. Vimal Prasad Gupta* (Company Secretary)	NA

*Mr. Varun Sarin ceased to be Chief of Operations & Finance -IT Division of the Company w.e.f. September 16, 2019 pursuant to sale of IT Division of the company to DCM Infotech Limited, a wholly owned subsidiary of the company through Business Sale Agreement. As he remained in employment, for the part of year, therefore, the said percentage increase in his remuneration is not applicable.

**Mr. Yadvinder Goyal, Company Secretary of the Company ceased to be Company Secretary & Compliance Officer of the Company with effect from September 6, 2019. As he remained in employment, for the part of year, therefore, the said percentage increase in his remuneration is not applicable.

*Mr. Vimal Prasad Gupta has appointed as Company Secretary & Compliance Officer of the Company w.e.f October 21, 2019. As he is in employment for the part of year, therefore, the said percentage increase in his remuneration is not applicable.

(B) The percentage increase in the median remuneration of employees in the financial year: 49.32%

(C) The number of permanent employees on the rolls of Company: 1849.

(D) 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 2019-20 over FY 2018-19 was around 4.4753%. Non-Executive Directors of the company were not paid any managerial remuneration in the financial year 2019-20. The average annual percentile increase in managerial remuneration during the FY 2019-20 over FY 2018-19 was around 5.5323%.

(E) **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**

Place: Delhi
Date: August 26, 2020

Sd/-
Dr. Vinay Bharat Ram
Chairman

Form No. AOC-2

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

This Form pertains to the disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length 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 2019-20: 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 2019-20: NIL

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

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

Place: Delhi
Date: August 26, 2020

Sd/-
Dr. Vinay Bharat Ram
Chairman

Form No. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March, 2020

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

I. REGISTRATION AND OTHER DETAILS

CIN	:	L74899DL1889PLC000004
Registration Date	:	26 th March, 1889
Name of the Company	:	DCM Limited
Category / Sub - Category of the Company	:	Company limited by shares/ Indian Non-Government Company
Address of the Registered office and Contact details	:	DCM Limited, Unit Nos. 2050 to 2052, 2 nd Floor, Plaza - II, Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi - 110006, Tel : - 011-41539170
Whether Listed Company Yes / No	:	Yes
Name, Address and Contact Details of Registrar and Transfer Agents	:	MCS Share Transfer Agent Limited, F- 65, Okhla Industrial Area, Phase - I, New Delhi - 110020, Ph. : - 011-41406149-52

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company are given below:

S. No.	Name and Description of main products /services	NIC Code of the Product/service*	% to total turnover of the company
1	Manufacture of other iron and steel casting and products	24319	85.25

* As per National Industrial Classification – Ministry of Statistics & Programme Implementation

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	DCM Finance & Leasing Limited Unit Nos. 2050 to 2052, 2 nd Floor Plaza - II, Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi – 110006	U74899DL1990PLC041440	Subsidiary Company	99.99	2(87)(ii)
2	DCM Textiles Limited Unit Nos. 2050 to 2052, 2 nd Floor Plaza - II, Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi – 110006	U74899DL1996PLC076626	Subsidiary Company	100.00	2(87)(ii)
3	DCM Engineering Limited (previously known as DCM Tools & Dies Limited) Unit Nos. 2050 to 2052, 2 nd Floor Plaza - II, Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi – 110006	U29223DL1998PLC097618	Subsidiary Company	100.00	2(87)(ii)
4	DCM Infotech limited (previously known as DCM Realty Investment & Consulting Limited) Unit Nos. 2050 to 2052, 2 nd Floor Plaza - II, Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi – 110006	U72100DL1992PLC047018	Subsidiary Company	100.00	2(87)(ii)
5	DCM Data Systems Limited Unit Nos. 2050 to 2052, 2 nd Floor Plaza - II, Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi – 110006	U72900DL2012PLC234007	Subsidiary Company	100.00	2(87)(ii)
6	DCM Realty and Infrastructure Limited Unit Nos. 2050 to 2052, 2 nd Floor Plaza - II, Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi – 110006	U70109DL2016PLC306870	Subsidiary Company	100.00	2(87)(ii)
7	DCM Nouvelle Limited [#] 601, 6 th Floor Vikrant Tower 4, Rajendra Place, New Delhi 110008	U17309DL2016PLC307204	Subsidiary Company	100.00	2(87)(ii)
8	Purearth Infrastructure Limited Central Square, 20, Manohar Lal Khurana Marg Bara Hindu Rao Delhi Central Delhi DL 110006	U45202DL1991PLC046111	Associate Company	16.56	2(6)

* Pursuant to the Scheme of Arrangement between the Company and DCM Nouvelle Limited becoming effective on May 13, 2019, 100% equity shares held by the Company and its nominees in the DCM Nouvelle Limited stand cancelled with effect from May 13, 2019. Accordingly DCM Nouvelle Limited ceased to be subsidiary of the Company w.e.f. May 13, 2019.

Annexure - IV to the Directors' Report continued

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year i.e. 01.04.2019				No. of Shares held at the end of the year i.e. 31.03.2020				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	90,66,584	-	90,66,584	48.54	90,66,584	-	90,66,584	48.54	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt. (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	90,66,584	-	90,66,584	48.54	90,66,584	-	90,66,584	48.54	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other – Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) =(A)(1)+(A)(2)	90,66,584	-	90,66,584	48.54	90,66,584	-	90,66,584	48.54	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	18	65,265	65,283	0.35	18	64,415	64,433	0.34	(0.01)
b) Banks/ FI	2,000	3,847	5,847	0.03	1,618	3,847	5,465	0.03	(0.00)
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt. (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	11,48,512	-	11,48,512	6.15	11,32,850	-	11,32,850	6.07	(0.08)
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) others (specify)									
Sub-Total (B) (1):-	11,50,530	69,112	12,19,642	6.53	11,34,486	68,262	12,02,748	6.44	(0.09)
2. Non - Institutions									
a) Bodies Corp.									
i) Indian	13,29,702	14,571	13,44,273	7.20	10,93,620	14,354	11,07,974	5.93	(1.27)
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual Shareholders holding nominal share capital up to Rs. 1 Lakh	29,21,752	5,07,805	34,29,557	18.36	30,18,128	4,56,938	34,75,066	18.61	0.25
ii) Individual Shareholders holding nominal Share capital in excess of Rs. 1 Lakh	26,26,274	-	26,26,274	14.06	28,67,809	-	28,67,809	15.35	1.29
c) Others	-	-	-	-	-	-	-	-	-
c-i) Trust and Foundation	1,365	775	2,140	0.01	1,365	775	2,140	0.01	-
c-ii) Non Resident Individual	7,26,838	2,616	7,29,454	3.91	6,83,283	2,594	6,85,877	3.67	(0.24)
c-iii) NBFC registered with RBI	1,000	-	1,000	0.01	3,000	-	3,000	0.02	0.01
c-iv) NBFC registered with SEBI	-	-	-	-	-	-	-	-	-
c-v) Custodian of Enemy Property for India*	25,039	1,165	26,204	0.14	-	1,165	1,165	0.01	(0.13)
c-vi) Investor Education & Protection Fund	2,32,621	-	2,32,621	1.25	2,65,386	-	2,65,386	1.42	0.17
Sub -total (B)(2):-	78,64,591	5,26,932	83,91,523	44.93	79,32,591	4,75,826	84,08,417	45.02	0.09
Total Public Shareholding (B) = (B)(1)+(B)(2)	90,15,121	5,96,044	96,11,165	51.46	90,67,077	5,44,088	96,11,165	51.46	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1,80,81,705	5,96,044	1,86,77,749	100.00	1,81,33,661	5,44,088	1,86,77,749	100.00	-

* Shares held by Custodian of Enemy Property for India, in physical form represent shareholding of one Pakistani shareholder.

Annexure - IV to the Directors' Report continued

(ii) Shareholding of Promoters

S. No.	Name	Shareholding at the beginning of the Year i.e. 01.04.2019			Shareholding at the end of the year i.e. 31.03.2020			% change in shareholding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged/encumbered to total shares [#]	No. of Shares	% of total shares of the Company	% of Shares Pledged/encumbered to total shares	
1	Dr. Vinay Bharat Ram*	90,43,126	48.42	-	-	-	-	(48.42)
2	Mr. Sumant Bharat Ram*	13,806	0.07	-	90,56,932	48.49	-	48.42
3	Mr. Rahil Bharat Ram	4,852	0.03	-	4,852	0.03	-	-
4	Mr. Yuv Bharat Ram	4,800	0.03	-	4,800	0.03	-	-
	TOTAL	90,66,584	48.54	-	90,66,584	48.54	-	-

*Dr. Vinay Bharat Ram has transferred his shareholding in the Company to Mr. Sumant Bharat Ram by way of gift, without any consideration under the provisions of Regulation 10(1)(a) (i) and 10(1)(a)(ii) of SEBI (Substantial Acquisition of shares and takeovers) Regulations, 2011.

[#]During the year Dr. Vinay Bharat Ram pledged 50,00,000 and 7,00,000 equity shares of the Company on June 29, 2019 and July 16, 2019 respectively. Further the pledge on said equity shares was released on February 12, 2020.

(iii) Change in Promoters Shareholding

S. No.	Name	Shareholding at the beginning of the year i.e. 01.04.2019		Date	Increase/ Decrease in Shareholding	Reason for Increase/ Decrease	Cumulative Shareholding during the year		Shareholding at the end of the year i.e. 31.03.2020	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Dr. Vinay Bharat Ram*	90,43,126	48.42	01.04.2019						
				19.12.2019	(33,43,126)	Inter se transfer	57,00,000	30.52		
				28.02.2020	(57,00,000)	Inter se transfer	-	-		
				31.03.2020					-	-
2	Mr. Sumant Bharat Ram*	13,806	0.07	01.04.2019						
				19.12.2019	33,43,126	Inter se Transfer	33,56,932	17.97		
				28.02.2020	57,00,000	Inter se Transfer	90,56,932	48.49		
				31.03.2020					90,56,932	48.49
3	Mr. Rahil Bharat Ram	4,852	0.03	01.04.2019						
						No Change in shareholding during the year				
				31.03.2020					4,852	0.03
4	Mr. Yuv Bharat Ram	4,800	0.03	01.04.2019						
						No Change in shareholding during the year				
				31.03.2020					4,800	0.03

*Dr. Vinay Bharat Ram has transferred his shareholding in the Company to Mr. Sumant Bharat Ram by way of gift, without any consideration under the provisions of Regulation 10(1)(a) (i) and 10(1)(a)(ii) of SEBI (Substantial Acquisition of shares and takeovers) Regulations, 2011.

(iv) Shareholding Pattern of top 10 shareholders (other than directors, promoters and holders of ADRs and GDRs)

S. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2019		Date	Increase/ Decrease in Shareholding	Reason for Increase/ Decrease	Cumulative Shareholding during the year		Shareholding at the end of the year i.e. 31.03.2020	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	LIFE INSURANCE CORPORATION OF INDIA	1148512	6.15	01.04.2019						
				07.02.2020	-11800	sale	1136712	6.09		
				14.02.2020	-3862	sale	1132850	0.02		
				31.03.2020					1132850	6.07

Annexure - IV to the Directors' Report continued

S. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2019		Date	Increase/ Decrease in Shareholding	Reason for Increase/ Decrease	Cumulative Shareholding during the year		Shareholding at the end of the year i.e. 31.03.2020	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
2	KANWALJEET SINGH DHILLON	410000	2.20	01.04.2019						
						No change in shareholding during the year				
				31.03.2020			410000	2.20	410000	2.20
3	INVESTOR EDUCATION AND PROTECTION FUND AUTHORITY	232621	1.25	01.04.2019						
				30.09.2019	18812	transfer to IEPF by Company	251433	1.35		
				17.01.2020	13953	transfer to IEPF by Company	265386	1.42		
				31.03.2020					265386	1.42
4	SATPAL KHATTAR	200000	1.07	01.04.2019						
						No change in shareholding during the year				
				31.03.2020			200000	1.07	200000	1.07
5	ANIL KUMAR GOEL	175000	0.94	01.04.2019						
						No change in shareholding during the year				
				31.03.2020			175000	0.94	175000	0.94
6	G SHANKAR	126550	0.68	01.04.2019						
				26.04.2019	300	purchase	126850	0.68		
				16.08.2019	100	purchase	126950	0.68		
				23.08.2019	1100	purchase	128050	0.69		
				13.09.2019	4991	purchase	133041	0.71		
				04.10.2019	3000	purchase	136041	0.73		
				06.12.2019	6700	purchase	142741	0.76		
				20.12.2019	16	purchase	142757	0.76		
				10.01.2020	500	purchase	143257	0.77		
				31.01.2020	1000	purchase	144257	0.77		
				28.02.2020*	6950	purchase	151207	0.81		
				27.03.2020	93	purchase	151300	0.81		
				31.03.2020					151300	0.81
7	SMS HOLDINGS PVT LTD. *1201060003219164	125375	0.67	1.04.2019						
						No change in shareholding during the year				
				31.03.2020			125375	0.67	125375	0.67
8	ANAND RATHI GLOBAL FINANCE LIMITED	123271	0.66	01.04.2019						
				23.08.2019	-20990	sale	102281	0.55		
				30.08.2019**	-102281	sale	0	0.00		
				31.03.2020					NA	NA

**ceased to be part of top 10 shareholders on August 30, 2019

9	DIVYAA HIRAWT	100000	0.54	01.04.2019						
						No change in shareholding during the year				
				31.03.2020			100000	0.54	100000	0.54
10	VINODCHANDRA MANSUKHLAL PAREKH/ SANJEEV VINODCHANDRA PAREKH	99213	0.53	01.04.2019						
				03.05.2019*	-	-				
				30.08.2019^	-	-				
				31.03.2020					99213	0.53

*ceased to be part of top 10 shareholders on May 03, 2019.

^Re- Entered in top 10 Shareholders on August 30, 2019.

11	NIRMAL BANG SECURITIES PVT LTD	NA	NA	1.04.2019						
				03.05.2019**	50115	purchase	120010	0.64		
				31.05.2019***	-120010	sale	0	0.00		
				24.01.2020^^	120000	purchase	120033	0.64		
				31.01.2020	-33	sale	120000	0.64		
				07.02.2020***	-120000	sale	0	0.00		
				31.03.2020					NA	NA

Annexure - IV to the Directors' Report continued

S. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2019		Date	Increase/ Decrease in Shareholding	Reason for Increase/ Decrease	Cumulative Shareholding during the year		Shareholding at the end of the year i.e. 31.03.2020	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company

** New Entered in top 10 Shareholders on May 03, 2019

***ceased to be part of top 10 shareholders on May 31, 2019 and February 07,2020

^^Re- Entered in top 10 Shareholders on January 24,2020

12	M.G. SHARES AND STOCKS PVT. LTD.	NA	NA	01.04.2019						
				31.05.2019#	120000	purchase	120000	0.64		
				24.01.2020*#	120000	exit without sale /purchase	120000	0.64		
				07.02.2020^^	120000	re-enter without sale /purchase	120000	0.64		
				14.02.2020*#	-56161	sale	63839	0.34		
				21.02.2020^^	56161	purchase	120000	0.64		
				31.03.2020					120000	0.64

New Entered in top 10 Shareholders on May 31, 2019

*# ceased to be part of top 10 shareholders on January 24,2020 and February 14, 2020

^^Re- Entered in top 10 Shareholders on February 07,2020 and February 21.02.2020

13	BHAVESH DHIRESHBHAI SHAH	NA	NA	1.04.2019						
				14.02.2020^^\$		new enter without sale /purchase	83210	0.45		
				21.02.2020^&*		exit without sale /purchase				
				31.03.2020					NA	NA

^^\$New Entered in top 10 Shareholders on February 14, 2020

^&*ceased to be part of top 10 shareholders on February 21, 2020

(v) Shareholding of Directors and Key Managerial Personnel (KMP)

S. No.	Name	Shareholding at the beginning of the year i.e. 01.04.2019		Date	Increase/ Decrease in Shareholding	Reason for Increase/ Decrease	Cumulative Shareholding during the year		Shareholding at the end of the year i.e. 31.03.2020	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Dr. Vinay Bharat Ram [#] (Chairman)	90,43,126	48.42	01.04.2019						
				19.12.2019	(33,43,126)	Inter-se- Transfer	57,00,000	30.52		
				28.02.2020	(57,00,000)		-	-		
				31.03.2020					0	0
2	Mr. Bipin Maira (Independent - Non-Executive Director)	0	0	01.04.2019		No change in shareholding during the year				
				31.03.2020					0	0
3	Mr. Dinesh Dhiman [Executive Director (Engineering Operations) (KMP)]	0	0	01.04.2019		No change in shareholding during the year				
				31.03.2020					0	0
5	Mr. Jitendra Tuli (Managing Director)	0	0	01.04.2019		No change in shareholding during the year				
				31.03.2020					0	0
6	Mr. K S Nagyal*	0	0	01.04.2019		No change in shareholding during the year				
				31.03.2020					0	0
7	Dr. Kavita A Sharma ^{##}	NA	NA	01.04.2019		No change in shareholding during her tenure as director				
		0	0	14.11.2019						
				31.03.2020					0	0
8	Mr. L Lakshman (Independent - Non-Executive Director)*	0	0	01.04.2019		No change in shareholding during his tenure as Director				
				31.03.2020					NA	NA

Annexure - IV to the Directors' Report continued

S. No.	Name	Shareholding at the beginning of the year i.e. 01.04.2019		Date	Increase/ Decrease in Shareholding	Reason for Increase/ Decrease	Cumulative Shareholding during the year		Shareholding at the end of the year i.e. 31.03.2020	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
9	Dr. Meenakshi Nayar (Independent - Non-Executive Director)*	100	0.0005	01.04.2019						
				31.03.2020		No change in shareholding during her tenure as director			NA	NA
10	Mr. Ravi Vira Gupta (Independent - Non-Executive Director)	0	0	01.04.2019						
				31.03.2020		No change in shareholding during his tenure as Director			0	0
11	Dr. Raghupati Singhania (Independent - Non-Executive Director)*	0	0	01.04.2019						
				31.03.2020		No change in shareholding during his tenure as Director			NA	NA
12	Prof. Sudhir Kumar Jain (Independent - Non-Executive Director)	0	0	01.04.2019						
				31.03.2020		No change in shareholding during the year			0	0
13	Mr. Sushil Kapoor [Executive Director (Engineering Business) (KMP)]*	0	0	01.04.2019						
				31.03.2020		No change in shareholding during his tenure as director			NA	NA
14	Mr. Hemant Bharat Ram [President (Textiles) - KMP]*#	0	0	01.04.2019						
				31.03.2020		No change in shareholding during the period			NA	NA
15	Mr. Sumant Bharat Ram*	13,806	0.07	01.04.2019						
				19.12.2019	33,43,126	Inter-se- Transfer	33,56,932	17.97		
				28.02.2020	57,00,000		90,56,932	48.49		
				31.03.2020					90,56,932	48.49
16	Mr. Ashwani Kumar Singhal (Chief Financial Officer - KMP)	3	0.00	01.04.2019						
				31.03.2020		No change in shareholding during the year			3	0.00
17	Mr. Varun Sarin (Chief of Operations & Finance -IT Division - KMP)**	0	0	01.04.2019						
				31.03.2020		No change in shareholding during the period			NA	NA
18	Mr. Yadvinder Goyal (Company Secretary - KMP)***	0	0	01.04.2019						
				31.03.2020		No change in shareholding during the period			NA	NA
19	Mr. Vimal Prasad Gupta (Company Secretary - KMP)***	NA	NA	01.04.2020						
		0	0	21.10.2019		No change in shareholding during the period				
				31.03.2020					0	0

*Dr. Vinay Bharat Ram has transferred his shareholding in the Company to Mr. Sumant Bharat Ram by way of gift, without any consideration under the provisions of Regulation 10(1)(a) (i) and 10(1)(a)(ii) of SEBI (Substantial Acquisition of shares and takeovers) Regulations, 2011.

*Mr. L Lakshman, Mr. Raghupati Singhania, Dr. Meenakshi Nayar, Mr. Sumant Bharat Ram, Mr. Sushil Kapoor and Mr. K S Nagnyal ceased to be Director of the Company w.e.f. June 29, 2019, July 10, 2019, August 6, 2019, August 21, 2019, September 30, 2019 and August 17, 2020 respectively.

**Pursuant to sanction of Scheme of Arrangement between the Company and DCM Nouvelle Limited ('Resulting Company') by NCLT and its becoming effective from May 13, 2019, the Textile Division of the Company stand transferred and vested in the Resulting Company. Pursuant to same Mr. Hemant Bharat Ram, President (Textiles) ceased to be KMP of Company and was deemed to become employees of Resulting Company with effect from appointed date of April 1, 2019

**Dr. Kavita A Sharma was appointed as an Independent Woman Director of the Company w.e.f. November 14, 2019.

**Mr. Varun Sarin ceased to be Chief of Operations & Finance -IT Division of the Company w.e.f. September 16, 2019.

***Mr. Yadvinder Goyal ceased to be Company Secretary of the Company w.e.f. September 6, 2019. Further Company has appointed Mr. Vimal Prasad Gupta as Company Secretary & Compliance Officer of the Company w.e.f. October 21, 2019.

Annexure - IV to the Directors' Report continued

V. INDEBTEDNESS

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

(Amount in Rs. Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total
Indebtedness at the beginning of the financial year i.e. 01.04.2019				
i) Principal Amount	22,641.30	2,311.35	-	2,4952.65
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	99.24	-	-	99.24
iv) Impact of Ind AS	(12.56)	-	-	(12.56)
Total (i+ii+iii+iv)	22,727.98	2,311.35	-	25,039.33
Change in indebtedness during the financial year				
Addition	-	-	-	-
Reduction	4,173.39	211.35	-	4,383.74
Transfer of loans under Scheme/ Sale of business under BPA	15,603.77	2,100.00	-	17,703.77
Change in interest accrued but not due	(51.58)	-	-	(51.58)
Impact of Ind AS	12.56	-	-	12.56
Net Change	(19,815.18)	(2,311.35)	-	(22,126.53)
Indebtedness at the end of the financial year i.e. 31.03.2020				
i) Principal Amount	2,865.14	-	-	2,865.14
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	47.66	-	-	47.66
iv) Impact of Ind AS	-	-	-	-
Total (i+ii+iii+iv)	2,912.80	-	-	2,912.80

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Amount in Rs.)

S. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager				Total Amount
		Dr. Vinay Bharat Ram Chairman and Managing Director*	Mr. Jitendra Tuli Managing Director [#]	Mr. Dinesh Dhiman (Executive Director – Engineering Operations)	Mr. Sushil Kapoor (Executive Director – Engineering Business)*	
1.	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income tax Act, 1961	33,30,000	-	38,39,236	54,90,000	1,26,59,236
	(b) Value of perquisites u/s 17(2) Income tax Act, 1961	42,24,648	-	32,400	-	42,57,048
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-	-
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - as % of profit - others, specify....	-	-	-	-	-
5.	Others - Bonus - PF Contribution	-	-	1,36,800	-	1,36,800
	Total (A)	75,54,648	-	40,08,436	54,90,000	1,70,53,084
	Annual Ceiling as per the Act (10 % of the profits calculated u/s 198 of the Companies Act, 2013)					Not Applicable

*Dr. Vinay Bharat Ram ceased to be Managing Director of the Company w.e.f. September 30, 2019 and Mr. Sushil Kapoor ceased to be Executive Director (Engineering Business) of the Company w.e.f. September 30, 2019. Accordingly their remuneration is up to September 30, 2019.

[#]Mr. Jitendra Tuli was appointed as Managing Director of the Company w.e.f. October 1, 2019. Further no remuneration was paid to him in his capacity as Managing Director of the Company, only sitting fee was paid to him as being paid to other Non- executive Director.

Annexure - IV to the Directors' Report continued

B. Remuneration to other Directors:

(Amount in Rs.)

S. No.	Particulars of Remuneration	Name of Director							Total Amount
		Mr. Bipin Maira	Mr. L Lakshman*	Dr. Meenakshi Nayar*	Dr. Raghupati Singhania*	Mr. Ravi Vira Gupta	Prof. Sudhir Kumar Jain	Dr Kavita A Sharma**	
1	Independent Directors								
	-Fee for attending board and committee meetings	3,80,000	30,000	40,000	20,000	3,60,000	3,90,000	50,000	12,70,000
	- Commission	-		-	-	-	-	-	-
	-Others, please specify	-		-	-	-	-	-	-
	Total B (1)	3,80,000	30,000	40,000	20,000	3,60,000	3,90,000	50,000	12,70,000

*Mr. L Lakshman, Mr. Raghupati Singhania and Dr. Meenakshi Nayar ceased to be Independent Directors of the Company w.e.f June 29, 2019, July 10, 2019 and August 6, 2019.

** Dr. Kavita A Sharma was appointed as an Independent Director of the Company w.e.f. November 14, 2019.

(Amount in Rs.)

S. No.	Particulars of Remuneration	Name of Director			Total Amount
		Mr. Jitendra Tuli†	Mr. Sumant Bharat Ram*	Mr. K S Nagnyal (Nominee of LIC)^	
2	Other Non-Executive Directors				
	-Fee for attending board and committee meetings	2,40,000	40,000	1,40,000	4,20,000
	- Commission	-		-	-
	-Others, please specify	-		-	-
	Total B (2)	2,40,000	40,000	1,40,000	4,20,000
	Total (B) = (B1+B2)				16,90,000
	Overall Annual Ceiling as per the Act (1% of the profits calculated u/s 198 of the Companies Act, 2013)				Not Applicable

*Mr. Sumant Bharat Ram ceased to be Director of the Company w.e.f. August 21, 2019.

†Mr. Jitenrda Tuli was appointed as Managing Director of the Company w.e.f. October 1, 2019. Further no remuneration was paid to him in his capacity as Managing Director of the Company, only sitting fee was paid to him as being paid to other Non- executive Director.

^Mr. K.S. Nagnyal ceased to be Nominee Director of Life Incorporation of India (LIC) from the Board of the Company w.e.f. August 17, 2020.

-Sittings fees paid to directors has not been considered as part of their respective remuneration in terms of relevant provisions of the Companies Act, 2013. However, the same has been disclosed in the above table for the purpose of limited compliance under above head.

	Total Managerial Remuneration (A+B)				1,87,43,084
	Overall Annual Ceiling as per the Act (11% of the profits calculated u/s 198 of the Companies Act, 2013)				Not Applicable

Annexure - IV to the Directors' Report continued

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

(Amount in Rs.)

S. No.	Particulars of Remuneration	Key Managerial Personnel					Total Amount
		Mr. Hemant Bharat Ram*	Mr. Ashwani Singhal Chief Financial Officer	Mr. Varun Sarin- Chief of Operation & Finance- IT Division*#	Mr. Yadvinder Goyal - Company Secretary**	Mr. Vimal Prasad Gupta**	
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income - tax Act, 1961	15,74,037	60,73,600	26,89,863	13,43,523	8,08,413	1,24,89,436
	(b) Value of perquisites u/s 17(2) Income - tax Act, 1961	2,28,300	28,800	10,800	-	10,800	2,78,700
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-
4	Commission - as % of profit - others, specify....	-	-	-	-	-	-
5	Others, please specify						
	- Bonus	-	-	-	-	-	-
	- PF and Superannuation Contribution	1,96,625	-	3,67,675	91,325	82,258	7,37,883
	Total	19,98,962	61,02,400	30,68,338	14,34,848	9,01,471	1,35,06,019

* Pursuant to sanction of Scheme of Arrangement between the Company and DCM Nouvelle Limited ('Resulting Company') by NCLT and its becoming effective from May 13, 2019, the Textile Division of the Company stand transferred and vested in the Resulting Company. Pursuant to same Mr. Hemant Bharat Ram, President (Textiles) ceased to be KMP of Company and was deemed to become employees of Resulting Company with effect from appointed date of April 1, 2019.

*#Mr. Varun Sarin ceased to be Chief of Operations & Finance -IT Division of the Company w.e.f. September 16, 2019.

** Mr. Yadvinder Goyal ceased to be Company Secretary of the Company w.e.f. September 6, 2019. Further Company has appointed Mr. Vimal Prasad Gupta as Company Secretary & Compliance Officer of the Company w.e.f. October 21, 2019.

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

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

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

Place: Delhi

Date: August 26, 2020

Sd/-
Dr. Vinay Bharat Ram
Chairman

DCM

ANNEXURE V

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST March 2020*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule**No. 9 of the Companies (Appointment and Remuneration 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 there on.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by DCM Limited ("the Company") for the financial year ended 31st March, 2020 according to the provisions of:

- I. The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- V. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999(*Not Applicable to the listed entity during the review period*);
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008(*Not Applicable to the listed entity during the review period*);

- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009(*Not Applicable to the listed entity during the review period*); and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998(*Not Applicable to the listed entity during the review period*); and
- VI. We have relied on the systems/mechanism formed by the Company for compliances under other Applicable Acts, laws and regulations applicable to the Company and the management explanation in this regard. The list of major Acts, Laws and Regulations as applicable to the Company is given in Annexure –A

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

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

We have examined compliances of the Secretarial Standards issued by the Institute of Company Secretaries of India. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

However After the resignation of Dr. Meenakshi Nayar Independent Woman Director, Company could not comply the requirement to appoint the new Independent Director within the prescribed time limit of 3 months and there has been procedural delay of 8 days primarily on account of time taken to identify suitable candidate with knowledge and experience for appointment of new Independent Director and conducting the meetings of Nomination & Remuneration Committee and Board of Directors.

Further, Dr. Kavita A Sharma, Independent Woman Director was duly appointed on the Board of Company w.e.f. November 14, 2019 and thereafter the composition of the Board of Directors of the Company is as per the requirement of SEBI (Listings Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time.

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.

Annexure - V to the Directors' Report continued

We further report that during the year under review following specific events having a major bearing on the Company's affairs have may be occurred:

1. NCLT vide its Order dated May 01, 2019 has sanctioned the Scheme of Arrangement between the Company and DCM Nouvelle Limited, a wholly owned subsidiary of the Company ('Resulting Company') and their respective shareholders and creditors under sections 230-232 read with section 66 and other applicable provisions of the Companies Act, 2013, for the demerger of the cotton textile business undertaking of the Company and vesting of the same with Resulting Company, on a going concern basis with effect from appointed date of April 1, 2019. The said scheme has become effective on May 13, 2019.
2. The IT Division of the Company has stand transferred and vested with DCM Infotech Limited, a wholly Owned Subsidiary of the Company w.e.f. September 16, 2019 by way of Business Purchase / Sale Agreement entered into with the Company and its Wholly owned Subsidiary Company namely DCM Infotech Limited.
3. In view of continued situation of industrial unrest at Engineering Business Division, 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, have accordingly approved the declaration of 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 still continued as on the date and no production activity is carried out at the Division.
4. The Board of Directors of the Company in its meeting held on November 28, 2019, has passed the composite scheme of Arrangement between DCM Limited and DCM Engineering Limited and their respective shareholders and creditors subject to the approval of Statutory Authorities, which provide for:
 - I. Transfer/vesting of Engineering Unit into a separate Company (100% subsidiary of DCM) with effect from the appointed date of 1.10.2019 to facilitate the strategic investment. (DCM being listed entity, thus for inviting strategic investment, transfer/vesting of Engineering Unit in a separate company is pre-requisite).
 - II. Restructure of debts, loans and liabilities pertaining of Engineering Unit to improve the serviceability of these liabilities.

In terms of Regulation 37 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time, Company has submitted necessary application(s) along with copy of the composite Scheme mentioned above, to BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) for obtaining their No Objection letters on 20.12.2019 and 23.12.2019 respectively, before filing the composite Schemes with Hon'ble National Company Law Tribunal.

The Company has received the "No object letters" dated June 24, 2020 from BSE and NSE.

For Pragnya Pradhan & Associates
Company Secretaries

Sd/-

Pragnya Parimita Pradhan
ACS No. 32778
C P No.: 12030

Place: New Delhi
Date: 20 July, 2020

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 Wage 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 Wage 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

Sd/-

Pragnya Parimita Pradhan
ACS No. 32778
C P No.: 12030

Place: New Delhi
Date: 20 July, 2020

DCM

Secretarial Compliance Report of DCM LIMITED for the year ended 31.03.2020

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 31.03.2020 ("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;
- 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;
- 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*);
- Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009(*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
	Regulation 17 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.	The Composition of the Board of Directors of the Company was not having such number of Independent Directors including Woman Director as required under Regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, during the quarter ended December 31, 2019.	After the resignation of Dr. Meenakshi Nayar Independent Woman Director, Company could not comply the requirement to appoint the new Independent Director within the prescribed time limit of 3 months and there has been procedural delay of 8 days primarily on account of time taken to identify suitable candidate with knowledge and experience for appointment of new Independent Director and conducting the meetings of Nomination & Remuneration Committee and Board of Directors. Further, Dr. Kavita A Sharma, Independent Woman Director was duly appointed on the Board of Company w.e.f. November 14, 2019 and thereafter the composition of the Board of Directors of the Company is as per the requirement of SEBI (Listings Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time.

- 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.

Annexure - V-1 to the Directors' Report continued

- (c) 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.
	BSE Limited and National Stock Exchange of India Limited	Non-composition of the Board of Directors of the Company as per the requirement of Regulation 17(1) of SEBI (Listings Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time during the quarter ended December 31, 2019	Fine of Rs. 47,200/- (including Rs. 7,200/- GST) by each BSE Limited and National Stock Exchange of India Limited	After the resignation of Dr. Meenakshi Nayar Independent Woman Director, Company could not comply the requirement to appoint the new Independent Director within the prescribed time limit of 3 months and there has been procedural delay of 8 days primarily on account of time taken to identify suitable candidate with knowledge and experience for appointment of new Independent Director and conducting the meetings of Nomination & Remuneration Committee and Board of Directors. Further, Dr. Kavita A Sharma, Independent Woman Director was duly appointed on the Board of Company w.e.f. November 14, 2019 and thereafter the composition of the Board of Directors of the Company is as per the requirement of SEBI (Listings Obligations & Disclosure Requirements) Regulations, 2015, as amended from time to time.

- (d) The listed entity has taken the following actions to comply with the observations made in previous reports: Not Applicable

Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31.03.2019 (The years are to be mentioned)	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
NA	NA	NA	NA	NA

I, further report that during the year under review Statutory Auditors of the Company has resigned before the expiry of his terms of appointment. Further, the Company has filled the casual vacancy arisen by appointing M/s S S Kothari Mehta & Company, Chartered Accountants, as its Statutory Auditors and the Company has modified the terms of appointment of M/s S S Kothari Mehta & Company. In this regard, I report that Company has complied with Para 6(A) and 6(B) of the Circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019.

For Pragnya Pradhan & Associates
Company Secretaries

Sd/-

Pragnya Parimita Pradhan
ACS No. 32778
C P No.: 12030

Place: New Delhi
Date: 19 June, 2020

ANNEXURE – VI

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. This Policy was approved by the Board of Directors of the Company.

2. OBJECTIVE

The Policy relates to appointment and designing the remuneration for the Directors, Key Managerial Personnel (KMP), Senior Management Personnel (SMP) and other employees of the Company.

3. DEFINITIONS

- a) **“Board”**:- Board means Board of Directors of the Company
- b) **“Director”**:- Directors means Directors of the Company.
- c) **“Committee”**:- Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.
- d) **“Company”**:- Company means DCM Limited
- e) **“Independent Director”**:- As provided in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and/ or under the Companies Act, 2013 and relevant rules thereto.
- f) **“Key Managerial Personnel”**:- Key Managerial Personnel (KMP) means-
 - (i) the Chairman and Managing Director;
 - (ii) the Chief Executive Officer;
 - (iii) the manager;
 - (iv) the Whole-time Director;
 - (v) the Chief Financial Officer;
 - (vi) the Company Secretary;
 - (vii) such other officer, not more than one level below the directors who is in whole-time employment, designated as key managerial personnel by the Board; and
 - (viii) Such other officer as may be prescribed.
- g) **“Senior Management”**:- shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the board) and shall specifically include company secretary and chief financial officer.

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.

4. KEY PRINCIPLES

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

- (i) Attract, retain and motivate the right talent, including the directors, KMP and employees, required to meet the goals of the Company.
- (ii) Remuneration to the Directors, KMPs, and SMPs 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.

5. APPOINTMENT CRITERIA AND QUALIFICATIONS

- (i) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management 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.

6. REMUNERATION TO MANAGING DIRECTOR(S) / WHOLE TIME DIRECTOR(S)

- (i) The Remuneration to Executive Directors will be approved by the Board of Directors based on the recommendations of the Committee, subject to the approval of shareholders and such other authorities as may be applicable. The concerned Executive Director will not participate in such discussions of the Board/Committee.
- (ii) The compliance of the relevant provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time regarding the limits of remuneration will be ensured.
- (iii) The remuneration to include the following components:

a) Basic Salary

- Provides for a fixed, per month, base level remuneration to reflect the scale and dynamics of business to be competitive in the external market.
- Subject to such annual increment as per the recommendations of the Committee and the approval of the Board of Directors.

b) Commission / Variable Component

- Commission/Variable Component, if any, as per the recommendations of the Committee and the approval of the Board of Directors in addition to the Basic Salary, Perquisites and any other Allowances, benefits and amenities.

c) Perquisites and Allowances

- Perquisites and Allowances commensurate to the position of Executive Directors, as per the recommendations of the Committee and the approval of the Board of Directors

d) Contribution to Provident, Superannuation fund and Gratuity etc.

In the event, the remuneration payable to Managing Director/ Whole-Time Director exceed the limits laid down under Section 197 and 198 read with Schedule V of the Companies Act, 2013, the same shall be subject to such approvals, as may be necessary.

7. REMUNERATION TO NON EXECUTIVE AND INDEPENDENT DIRECTORS

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 approved by the Board of Directors and Shareholders of the Company.

The amount of such fees and commissions shall be subject to ceiling/ limits as provided under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

8. KEY MANAGERIAL PERSONNEL (KMP)/SENIOR MANAGEMENT PERSONNEL /OTHER OFFICERS AND STAFF

The Remuneration to be paid to KMP's/ Senior Management Personnel/ other officers & staff is based on the role and responsibilities in the Company, the experience, qualification, skills and competencies of the related personnel / employees, the market trends, practices and benchmarks.

The positioning strategy is to see that the compensation provides adequate opportunity to attract the required talent and retain the same to be able to meet the requirements of the job and business.

The remuneration is subject to review on the basis of individual and business performance and inflation/market trends. The performance of employees is reviewed based on competency assessment and key results delivered. The performance assessment, more specifically, is used as an input to determine merit/special increments, performance bonus, rewards, incentives (short term and long term) and other recognitions/promotions.

The objective is to ensure that the compensation engage the employees to give their best performance.

9. EVALUATION

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

10. RETIREMENT

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board and / or Committee will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

11. WORKMEN COMPENSATION

Workmen are paid wages in accordance to the settlement with the recognized union of the workers, as applicable. Where there is no union, workmen wages are as per the best industry practice and applicable law. All remuneration components will be in accordance with applicable statutory compliances.

12. DIRECTORS' AND OFFICERS' INSURANCE

Where any insurance is taken by the Company on behalf of its Directors, KMPs/ Senior Management Personnel etc. for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

13. AMENDMENTS

Notwithstanding the above, the applicable provisions and amendments, if any, under the Companies Act, 2013 and/ or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, in respect of this Policy and related matters shall be implemented by the Company. The Committee may recommend amendments to this Policy from time to time as it deems appropriate.

14. DISCLOSURE

The Policy shall be disclosed as required by the Companies Act, 2013 read along with the applicable rules thereto and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

ANNUAL REPORT ON CSR ACTIVITIES

1.	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and projects or programs.			The Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Company's website and the web link for the same is https://www.dcm.in/wp-content/uploads/2016/10/CSR-Policy-DCM-Ltd.pdf			
2.	The Composition of the CSR Committee.			1) Dr. Vinay Bharat Ram – Chairman 2) Mr. Ravi Vira Gupta - Member 3) Dr. Meenakshi Nayar – Member* 4) Mr. Jitendra Tuli – Member			
3.	Average net profit / (loss) of the company for last three financial years (Rs. in Lakhs)			(1,136.90)			
4.	Prescribed CSR Expenditure (two percent, of the amount as in item 3 above)			Nil			
5.	Details of CSR spent during the financial year 2019-20. (1) Total amount to be spent for the F. Y. (2) Amount unspent, if any : (3) Manner in which the amount spent during the financial year:			(1) Nil (2) Nil (3) Necessary details are provided in the table given below:			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or Programs. (2) Overheads:	Cumulative expenditure up to the reporting period	Amount spent: Direct or through implementing agency
1	NIL						

* Dr. Meenakshi Nayar ceased to be member of CSR Committee of the Company w.e.f August 6, 2019.

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount in its Board report. N.A.
7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

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

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

Place: Delhi
Date: August 26, 2020

Sd/-
Dr. Vinay Bharat Ram
Chairman
Chairman, CSR Committee

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.

Corporate Governance is founded upon a rich legacy of fair, ethical and transparent governance practices, many of which were practiced by the Company. Our Corporate governance policy has been based on professionalism, honesty, integrity and ethical behavior.

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, 2019 to March 31, 2020 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, 2020, as applicable, is tabulated hereunder:

Composition of the Board

As at March 31, 2020, 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 Eight (8) directors namely, Dr. Vinay Bharat Ram, Chairman, Mr. Jitendra Tuli, Managing Director, Mr. Bipin Maira, Mr. Dinesh Dhiman, Mr. Krishna Singh Nagnyal, Dr. Kavita A Sharma, Mr. Ravi Vira Gupta and Prof. Sudhir Kumar Jain.

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. Dr. Vinay Bharat Ram is Chairman & Non-Executive Director of the Company. Mr. Jitendra Tuli is Managing Director of the Company. Mr. Dinesh Dhiman is Executive Director (Engineering Operations) of the Company. Mr. Bipin Maira, Mr. Ravi Vira Gupta, Dr. Kavita A Sharma and Prof. Sudhir Kumar Jain are Independent Directors of the Company. Mr. Krishna Singh Nagnyal is Non-Independent Non-Executive Director and nominated by Life Insurance Corporation of India (LIC) in the Board of 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 2019-20	No. of Board meetings attended	Attendance at last AGM held on 30.09.2019	No. of outside Directorships held*	No. of membership(s) / Chairmanship(s) in Board Committees **		Name of Listed entities in which the outside directorships held & category of Directorship
								Member	Chairman	
Dr. Vinay Bharat Ram	00052826	NED/PD	-	10	10	Yes	2	0	0	DCM Nouvelle Limited (ED)
Mr. Bipin Maira	05127804	I-NED	-	10	10	Yes	2	1	3	DCM Nouvelle Limited (I-NED)
Mr. Dinesh Dhiman	08021624	ED	-	10	7	No	-	-	-	-
Mr. Jitendra Tuli	00272930	MD	-	10	10	Yes	1	2	-	DCM Nouvelle Limited (NED)
Mr. Krishna Singh Nagnyal Nominee Director (LIC)	06857451	NI-NED	-	10	7	No	-	-	-	-
Dr. Kavita A Sharma**	07080946	I-NED	-	3	2	N.A	1	-	-	Universal Cables Limited (I-NED)
Mr. L. Lakshman**	00012554	I-NED	-	1	1	N.A	N.A	N.A	N.A	N.A
Dr. Meenakshi Nayar**	06866256	I-NED	100*	1	1	N.A	N.A	N.A	N.A	N.A
Dr. Raghupati Singhania**	00036129	I-NED	-	1	1	N.A	N.A	N.A	N.A	N.A
Mr. Ravi Vira Gupta	00017410	I-NED	-	10	9	No	4	2	0	DCM Nouvelle Limited (I-NED) The Delhi Safe Deposit Co. Limited (I-NED)
Prof. Sudhir Kumar Jain	06419514	I-NED	-	10	9	Yes	-	1	1	-
Mr. Sumant Bharat Ram***	00052833	NED/PD	13806*	2	2	N.A	N.A	N.A	N.A	N.A
Mr. Sushil Kapoor***	02481289	ED	-	5	2	No	N.A	N.A	N.A	N.A

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, 2020.

#Directorships 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.

**Mr. L Lakshman, Dr. Raghupati Singhania and Dr. Meenakshi Nayar ceased to be Independent Directors of the Company w.e.f June 29, 2019, July 10, 2019 and August 6, 2019 respectively.

***Mr. Sumant Bharat Ram ceased to be Non- Executive Director of the Company w.e.f. August 21, 2019 and Sushil Kapoor ceased to be Executive Director (Engineering Business) of the Company w.e.f. September 30, 2019.

^shares held at the time of cessation of Directorship in the Company.

*Dr. Kavita A Sharma was appointed as an Independent Woman Director of the Company w.e.f. November 14, 2019.

None of the Independent Directors of the Company served as an 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, the Board met ten (10) times on May 29, 2019, August 12, 2019, September 02, 2019, September 16, 2019, September 30, 2019, October 21, 2019, November 14, 2019, November 28, 2019, February 14, 2020 and March 04, 2020. The maximum time gap between any two Board Meetings was less than one hundred and twenty days. All material information was circulated to the directors before the meeting 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 Regulation 17(7) 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 / 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.	Behavioral 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.
Dr. Vinay Bharat Ram	Yes	Yes	Yes	Yes	Yes
Mr. Bipin Maira	Yes	Yes	Yes	Yes	Yes
Mr. Dinesh Dhiman	Yes	Yes	Yes	-	Yes
Mr. Jitendra Tuli	Yes	Yes	Yes	Yes	-
Mr. Krishna Singh Nagnyal- Nominee (LIC)	-	Yes	Yes	Yes	-
Mr. Ravi Vira Gupta	Yes	Yes	Yes	Yes	-
Prof. Sudhir Kumar Jain	Yes	Yes	Yes	Yes	-
Dr. Kavita A Sharma	Yes	Yes	Yes	Yes	-

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 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 and Regulation 16(1)(b) of SEBI Listing Regulations, board is in the opinion that all the independent directors fulfill the conditions specified in the SEBI Listing Regulations & Companies Act, 2013 and are independent of the management of the Company.

Due to his various other professional obligations and arduous travelling requirements, Mr. L Lakshman, Independent Director of the Company has resigned from the Board of Directors of the Company on June 29, 2019 before the expiry of his term as Independent Director of the Company. In terms of SEBI Listing Regulations, Mr. L Lakshman has provided necessary confirmation that there is no other material reason for his resignation other than those provided.

Due to his increasing other commitments, Dr. Raghupati Singhania, Independent Director of the Company has resigned from the Board of Directors of the Company on July 10, 2019 before the expiry of his term as Independent Director of the company. In terms of SEBI Listing Regulations, Dr. Raghupati Singhania has provided necessary confirmation that there is no other material reason for his resignation other than those provided.

Due to pre occupation with other professional activities related to not-for-profit venture, Dr. Meenakshi Nayar, Independent Director of the Company has resigned from the Board of the Directors of the Company on August 6, 2019 before the expiry of her term as Independent Director of the Company. In terms of SEBI Listing Regulations, Dr. Meenakshi Nayar has provided necessary confirmation that there is no other material reason for her resignation other than those provided.

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 of the Company, which has been provided to all concerned executives. The updated Code incorporates the duties of Independent Directors. The Code of Conduct is available on the website of the Company at weblink: <https://www.dcm.in/wp-content/uploads/2016/10/Directors-senior-management.pdf>

All Board members and designated Senior Management Personnel have affirmed compliance with the Code of conduct. A declaration 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, 2020, the Audit Committee of the Company consists of Mr. Bipin Maira, Chairman, Mr. Ravi Vira Gupta 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 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, 2020, include, inter-alia, systematic review of accounting policies & practices, financial reporting process, adequacy of internal control systems and internal audit function and quarterly/half-yearly financial statements. It also recommends appointment of Statutory Auditors, Internal Auditors, Cost Auditors, Secretarial Auditors and fixation of their audit fees. Mr. Bipin Maira and Mr. Ravi Vira Gupta have knowledge of finance and accounts. Prof. Sudhir Kumar Jain has expertise in managerial economics and has knowledge of finance.

Audit Committee meetings are attended by Chief Financial Officer, Sr. Executives of Accounts & Finance Department of the Company, Representatives of Statutory, Cost Auditors and Internal Auditors also attend the Audit Committee Meetings on invitation.

During the year April 01, 2019 to March 31, 2020, ten (10) Audit Committee meetings have taken place on May 29, 2019, August 12, 2019, September, 02, 2019, September 16, 2019, September 30, 2019, October 21, 2019, November 14, 2019, November 28, 2019, February 14, 2020 and March 04, 2020. 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 2019-20	No. of meetings attended
1.	Mr. Bipin Maira	Chairman	10	10
2.	Prof. Sudhir Kumar Jain	Member	10	9
3.	Mr. Ravi Vira Gupta	Member	10	9
4.	Dr. Meenakshi Nayar*	Member	1	1
5.	Mr. L Lakshman*	Member	1	1

*Mr. L Lakshman and Dr. Meenakshi Nayar ceased to be members of Audit Committee of the Company w.e.f June 29, 2019 and August 6, 2019 respectively.

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. The minutes of the meetings of the Audit Committee were placed before the Board for its information.

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, besides other terms as referred by the Board of Directors of the Company. As on March 31, 2020, the 'Nomination and Remuneration Committee' comprised of Mr. Ravi Vira Gupta, Chairman, Prof. Sudhir Kumar Jain and Mr. Bipin Maira as members of the Committee.

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, 2019 to March 31, 2020, Six (6) meetings of the 'Nomination and Remuneration Committee' have taken place on May 29, 2019, August 12, 2019, September 16, 2019, September 30, 2019, October 21, 2019 and November 14, 2019. 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 2019-20	No. of meetings attended
1.	Mr. Ravi Vira Gupta	Chairman	6	5
2.	Prof. Sudhir Kumar Jain	Member	6	5
3.	Mr. Bipin Maira	Member	6	6
4.	Dr. Meenakshi Nayar*	Member	1	1

*Dr. Meenakshi Nayar ceased to be member of Nomination & Remuneration Committee of the Company w.e.f August 6, 2019.

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 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.

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 to directors of the Company during the year April 01, 2019 to March 31, 2020 are as under:

S. No.	Name	Sitting Fees [#] (Rs. / lacs)	Salary & Allowances (Rs. / lacs)	Perquisites	Contribution to PF etc.	Commission and performance linked Incentive	Total
1.	Dr. Vinay Bharat Ram*	-	33,30,000	42,24,648	-	-	75,54,648
2.	Mr. Bipin Maira	3,80,000	-	-	-	-	3,80,000
3.	Mr. Dinesh Dhiman	-	38,39,236	32,400	1,36,800	-	40,08,436
4.	Mr. Jitendra Tuli	2,40,000	-	-	-	-	2,40,000
5.	Dr. Kavita A Sharma**	50,000	-	-	-	-	50,000
6.	Mr. Krishna Singh Nagnyal (Nominee – LIC)	1,40,000	-	-	-	-	1,40,000
7.	Mr. L Lakshman**	30,000	-	-	-	-	30,000
8.	Dr. Meenakshi Nayar**	40,000	-	-	-	-	40,000
9.	Dr. Raghupati Singhania**	20,000	-	-	-	-	20,000
10.	Mr. Ravi Vira Gupta	3,60,000	-	-	-	-	3,60,000
11.	Prof. Sudhir Kumar Jain	3,90,000	-	-	-	-	3,90,000
12.	Mr. Sumant Bharat Ram**	40,000	-	-	-	-	40,000
13.	Mr. Sushil Kapoor [#]	-	54,90,000	-	-	-	54,90,000
	TOTAL	16,90,000	1,26,59,236	42,57,048	1,36,800		1,87,43,084

[#]sitting fee paid to directors not to be considered as part of their respective remuneration in terms of relevant provisions of the Companies Act, 2013.

*Dr. Vinay Bharat Ram ceased to be Managing Director of the Company w.e.f. September 30, 2019 hence his remuneration was upto September 30, 2019. Further no remuneration or sitting fee was paid to Dr. Vinay Bharat Ram in his capacity as Chairman and Non Executive Director.

**Mr. L Lakshman, Dr. Raghupati Singhania, Dr. Meenakshi Nayar and Mr. Sumant Bharat Ram ceased to be Directors of the Company w.e.f. June 29, 2019, July 10, 2019, August 6, 2019 and August 21, 2019 respectively.

[#]Mr. Sushil Kapoor ceased to be Executive Director (Engineering Business) of the Company w.e.f. September 30, 2019, hence his remuneration was up to September 30, 2019.

**Dr. Kavita A Sharma was appointed as Independent Woman Director of the Company w.e.f. November 14, 2019.

Service Contract and Severance Fees

- The remuneration of Dr. Vinay Bharat Ram*, Chairman and Managing Director, Mr. Dinesh Dhiman, Executive Director (Engineering Operations) and Mr. Sushil Kapoor*, Executive Director (Engineering Business) of the Company, was fixed by the Board of Directors of the Company on recommendation of the Nomination and Remuneration Committee. The remuneration of Dr. Vinay Bharat Ram, Mr. Sushil Kapoor and Mr. Dinesh Dhiman has already been approved by shareholders of the Company. Dr. Vinay Bharat Ram, Mr. Dinesh Dhiman and Mr. Sushil Kapoor can terminate their respective appointment by giving to the Company, three calendar months' notice in writing or company can terminate their appointments by giving to them, three calendar months' notice in writing. The appointments of Dr. Vinay Bharat Ram, Mr. Dinesh Dhiman, and Mr. Sushil Kapoor are governed by the resolution(s) of the Board of Directors and shareholders of the Company for their respective appointment/re-appointment which covers the terms & conditions of their appointment/re-appointment.

*Dr. Vinay Bharat Ram ceased to be Managing Director of the Company w.e.f. September 30, 2019.

*Mr. Sushil Kapoor ceased to be Executive Director (Engineering Business) of the Company w.e.f. September 30, 2019.

- Non- Executive Directors are 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 director or employee.

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, besides other terms as referred by the Board of Directors of the Company. As on March 31, 2020, 'Share Transfer, Finance Facilities and Stakeholders' Relationship Committee comprised of Prof. Sudhir Kumar Jain, Chairman, Mr. Jitendra Tuli, Mr. Ravi Vira Gupta and Mr. Bipin Maira, members of committee.

During the year April 01, 2019 to March 31, 2020, Six(6) meetings of the 'Share Transfer, Finance Facilities and Stakeholders' Relationship Committee' have taken place on April 29, 2019, May 27, 2019, August 27, 2019, September 23, 2019, December 09, 2019 and March 17, 2020.

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 2019-20	No. of Committee meetings attended
1.	Prof. Sudhir Kumar Jain	Chairman	6	6
2.	Mr. Jitendra Tuli	Member	6	3
3.	Mr. Bipin Maira	Member	6	1
4.	Mr. Ravi Vira Gupta	Member	6	2

The status of complaints received, disposed off & pending during the year ended March 31, 2020 is as under:

No. of Complaints Received	No. of Complaints not solved to the satisfaction of shareholders' / Investors'	No. of Complaints pending at the end of year
11	0	0

The minutes of Share Transfer, Finance Facilities & Stakeholders' Relationship Committee is placed before the Board for its information.

Mr. Vimal Prasad Gupta, Company Secretary of the Company acts as Compliance Officer of the Company.

8. GENERAL BODY MEETINGS**Details of last three Annual General Meeting(s) (AGMs)**

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"> 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. 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. 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. 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. Special Resolution for approval of re-appointment of Dr. Meenakshi Nayyar, (DIN 06866256), as an Independent Woman Director of the Company, not liable to retire by rotation. 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. 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. Special Resolution for approval to sell, transfer, hive-off and/or otherwise dispose of Business Undertaking namely DCM Engineering Products located at village Asron, Shaheed Bhagat 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. 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.

Year	Location	Date	Time	Details of Special Resolutions passed
2018	128 th AGM MPCU Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Civil Lines, New Delhi - 110054	24.09.2018	11.30 A. M	<ol style="list-style-type: none"> Pursuant to Reg. 17(1A) of SEBI Listing Regulations, approval for continuation of appointment of Mr. Ravi Vira Gupta (DIN: 00017410), as a Non-Executive Independent Director of the Company w.e.f. 1st April, 2019 upto August 3, 2019. Pursuant to Reg. 17(1A) of SEBI Listing Regulations, approval for continuation of appointment of Mr. Bipin Maira, (DIN: 05127804), as a Non-Executive Independent Director of the Company 1st April, 2019 upto August 3, 2019. Pursuant to Reg. 17(1A) of SEBI Listing Regulations, approval for continuation of appointment of Mr. Jitendra Tuli, (DIN: 00272930), as Director of the Company, liable to retire by rotation, for his remaining term of office w.e.f. 1st April, 2019 upto the period he retires by rotation or ceased to be director of the Company. Pursuant to Reg. 17(1A) of SEBI Listing Regulations, approval for continuation of appointment of Dr. Vinay Bharat Ram (DIN: 00052826), as director of the Company, liable to retire by rotation, for his remaining term of office w.e.f. 1st April, 2019 upto the period he retires by rotation or ceased to be director of the Company. Approval of appointment of Dr. Vinay Bharat Ram as Managing Director of the Company, for a period of three years w.e.f. January 30, 2019. Approval of appointment of Mr. Sushil Kapoor (DIN: 02481289) as Whole-Time Director designated as Executive Director (Engineering Business) of the Company, for a period of one year w.e.f. January 15, 2018.
2017	127 th AGM MPCU Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Civil Lines, New Delhi - 110054	22.09.2017	11.00 A.M.	Nil

POSTAL BALLOTS

A. Details of Special Resolution(s) passed through Postal ballot last year

During the year April 01, 2019 to March 31, 2020, the Company has conducted Postal Ballot process (including e-voting), for obtaining the approval of members of the Company for below mentioned Special Resolution, prescribed under Section 108 & 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended from time to time, and other applicable provisions, if any of the Companies Act, 2013. The results of said postal ballot process was declared on December 28, 2019.

- Special Resolution for the appointment of Mr. Jitendra Tuli (DIN 00272930) as Managing Director of the Company.

The Company had appointed Pragnya Parimita Pradhan, Proprietor of M/s Pragnya Pradhan & Associate, Company Secretary in whole time Practice as Scrutinizer for conducting the Postal Ballot process (including e-voting) in a fair and transparent manner. The voting period for e-voting and postal ballot was commenced on November 27, 2019 (9.00 Hours IST). The voting period for e-voting ended on December 26, 2019 (17.00 Hours IST) and the NSDL e – voting platform was blocked thereafter. The last date for the receipt of Postal Ballot Forms by the Scrutinizer was December 26, 2019 (17.00 Hours IST). The result of Postal Ballot (including e-voting) was declared on December 28, 2019.

The details of Postal Ballot (including e-voting) Results are as under:

S. No	Particulars	Through Physical Postal Ballot forms	Through e-voting	Total
Special Resolution for the appointment of Mr. Jitendra Tuli (DIN 00272930) as Managing Director of the Company.				
1.	Total Valid Votes* casted in favour of the Resolution	2,916	1,02,14,850	1,02,17,766
2.	Total Valid Votes* casted against the Resolution	9	50	59
3.	Invalid Votes*	79	0	79
4.	Valid Votes* casted in favour as percentage of total valid votes polled	99.6923%	99.9995%	99.9994%

*One Equity share of the Company has one vote. Members' voting right shall be in proportion to his share in the paid-up capital of the Company.

- B. Whether any Special resolution is proposed to be conducted through Postal ballot: –NIL

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, 2020.

10. GENERAL SHAREHOLDER INFORMATION

i. Annual General Meeting

Day & Date : Friday, September 25, 2020
 Time : 11.45 A.M
 Deemed Place : Unit Nos. 2050 to 2052, 2nd Floor, Plaza - II, Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi – 110006

- ii. **Book Closure Date** : September 19, 2020 to September 25, 2020 (Both days inclusive)

- iii. **Financial Year** : April 01 to March 31

- iv. **Dividend Payment** : Not Applicable
Date

- 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 2019-20 has been paid to both of above Stock Exchanges.

- vi. **Securities 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

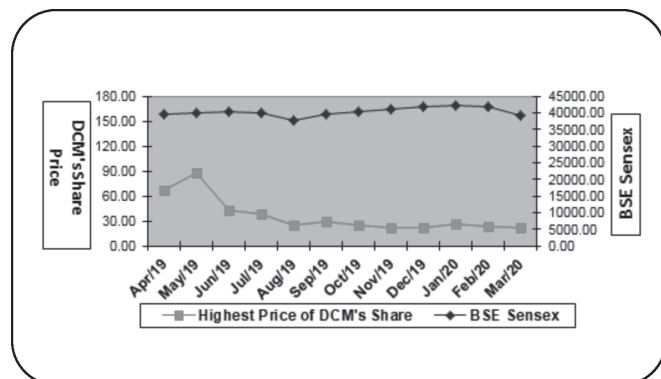
vii. Stock Market Data and Share price performance in comparison to broad base indices

a) DCM LIMITED v/s BSE SENSEX

	DCM LIMITED		BSE SENSEX	
	High	Low	High	Low
April-19	66.50	57.80	39487.45	38460.25
May-19	88.45	40.65	40124.96	36956.10
June-19	42.60	27.60	40312.07	38870.96
July-19	38.00	18.75	40032.41	37128.26
August-19	24.80	17.20	37807.55	36102.35
September-19	29.35	20.00	39441.12	35987.80
October-19	25.75	18.35	40392.22	37415.83
November-19	22.45	19.00	41163.79	40014.23
December-19	22.15	17.95	41809.96	40135.37
January-20	26.85	19.15	42273.87	40476.55
February-20	23.40	19.25	41709.30	38219.97
March-20	21.55	13.75	39083.17	25638.90

Source: BSE website

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

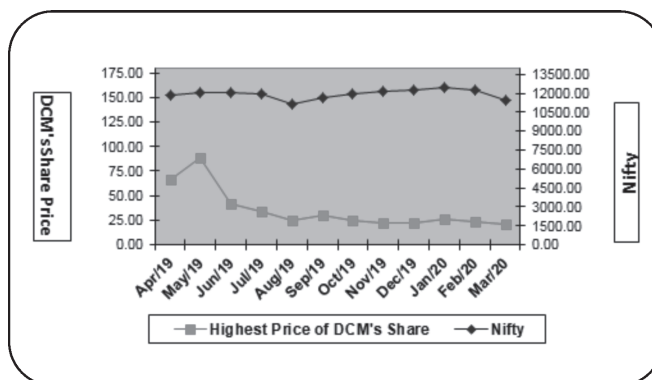


b) DCM LIMITED vs. NIFTY

	DCM LIMITED		NIFTY	
	High	Low	High	Low
April-19	66.60	57.50	11856.15	11549.10
May-19	88.55	38.85	12041.15	11108.30
June-19	41.90	29.55	12103.05	11625.10
July-19	33.80	18.15	11981.75	10999.40
August-19	24.70	17.00	11181.45	10637.15
September-19	29.50	19.45	11694.85	10670.25
October-19	25.00	18.70	11945.00	11090.15
November-19	22.90	19.40	12158.80	11802.65
December-19	21.70	18.00	12293.90	11832.30
January-20	26.70	19.30	12430.50	11929.60
February-20	23.75	19.60	12246.70	11175.05
March-20	20.75	12.80	11433.00	7511.10

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 110 020. Telephone No: 011- 41406149-52, helpdeskdelhi@mcsregistrars.com

ix. Share Transfer System

The Company's Shares are traded in the Stock Exchanges in compulsorily Demat mode as per Stock Exchanges Regulations. Power of share transfer has been delegated to Registrar & Share Transfer Agents for expediting share transfers.

Further, pursuant to the amendment in Regulation 40 of SEBI Listing Regulations w.e.f. 01.04.2019, request for effecting transfer of physical Shares, except in case of Transmission or Transposition of Shares, shall not be processed by the RTA unless the shares are held in the dematerialized form with the depository.

x. Distribution of shareholding as on March 31, 2020

Category	No. of Equity Shares	% of Shareholding
Promoters and Promoters group	90,66,584	48.54
Mutual fund, FIs, Banks, Insurance Companies, Central Govt. and State Govt.(s)	12,02,748	6.44
Bodies Corporate	11,07,974	5.93
NRI's, Trusts and NBFC's	6,92,182	3.71
Individuals	63,42,875	33.96
Investor Education and Protection Fund (IEPF)	2,65,386	1.42
TOTAL	1,86,77,749	100

Shareholdings	No. of folios	No. of Equity Shares	% of Shareholding
Up to 5,000	29,348	31,33,565	16.78
5,001-10,000	89	6,32,113	3.38
10,001 – 50,000	101	20,74,038	11.10
50,001-1,00,000	17	12,14,996	6.51
Above 1,00,000	9	1,16,23,037	62.23
Total	29,564	1,86,77,749	100.00

xi. Dematerialization of Shares and liquidity

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, 2020, 97.09 % 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

The Company has not issued any ADRs, GDRs, Warrants or any Convertible Instrument during the financial year 2019-20.

xiii. Location of Works:

- Engineering Division: Shaheed Bhagat Singh Nagar (Punjab)
- IT Division#: Gurugram (Haryana)

**The IT Divisions of the Company stand transferred and vested in the DCM Infotech Limited, a Wholly Owned Subsidiary of the Company with effect from September 16, 2019 pursuant to Business purchase Agreement entered with DCM Infotech Limited.*

- xiv.** Company has not obtained any credit rating in respect of its debts instruments, fixed deposit program, or any scheme or proposal involving mobilization of funds whether in India or abroad.

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. 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 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. 49 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 <https://www.dcm.in/wp-content/uploads/2016/10/Policy-on-related-party-transactions.pdf>
- ii. There has been a procedure 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). Except this no other penalty/fine has been imposed upon the Company by SEBI or any other statutory authority on any matter relating to Capital Markets during the last three years.

- iii. The Company has a separate Legal Department, which deals with the legal issues. The Secretarial Department is responsible for compliances in respect of Company Law, SEBI, Stock Exchange rules and regulations and other related laws.

- iv. 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.

- v. 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.

- vi. Management Discussion and Analysis report forming part of the Annual Report is enclosed.

vii. 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 in at page no. 7 of this annual report.

viii. 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.

ix. Subsidiary Company

All the subsidiary companies of the Company 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, the Company had no material subsidiary. Accordingly the following requirements of SEBI Listing Regulations are not applicable:

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

Further, pursuant to transfer/vesting of IT business of the company into "DCM Infotech Limited", subsidiary of the Company, by way of slump sale w.e.f. September 16, 2019, the DCM Infotech Limited has become material subsidiary of the Company for the review period 2020-21. Accordingly, the Company will comply the aforesaid requirement with regard to the above subsidiary in due course of time.

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 web link: <https://www.dcm.in/wp-content/uploads/2016/10/DCM-Ltd.-Policy-on-Determination-of-Materiality.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 shareholder in 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.

x. 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.

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

The commodities like Steel saw sharp increases on account of rise in international prices, supported by antidumping and safeguard measures. The uptrend in commodities was moderate in the Financial Year 2019-20.

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.

The details of foreign currency exposure are disclosed in Note No. 53 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: Rs. **27,81,35,294**

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	27,81,35,294	10081.31	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 during this period to meet its production requirement by increasing its vendor base and/or stocking etc.

xiii. 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.**xiv.** The Company during the year under review has not utilized any funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).**xv.** A certificate has been received from Ms. Pragya 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 was no occasion of non-acceptance of any recommendation of any committee by the Board of Directors.**xvii.** The members in 125th Annual General Meeting of the Company held on August 18, 2015 had appointed M/s B S R & Co. LLP (Firm Registration No. 101248W/W– 100022), Chartered Accountants, as Statutory Auditors of the Company till the conclusion of 130th Annual General Meeting.

However, due to the resignation of M/s B S R & Co. LLP, Chartered Accountants, Statutory Auditors, the Company filled the casual vacancy by appointing M/s SS Kothari Mehta & Company, Chartered Accountants as Statutory Auditors of the Company who shall hold office up to the date of ensuing Annual General Meeting of the Company.

Further, fee of Rs. 6.11 lacs (including out of pocket expenses) has been paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor (B S R & Co. LLP) (Firm Registration No. 101248W/W– 100022) and all entities in the network firm/network entity of which the statutory auditor is a part, for all services rendered by them during the period April 1, 2019 to September 30, 2019.

The Company and its subsidiaries has paid fee of Rs. 20.67 lacs (including out of pocket expenses), on a consolidated basis, to M/s SS Kothari Mehta & Company, Chartered Accountants, Statutory Auditors of the Company during the period October 1, 2019 to March 31, 2020.

xviii. Status of complaints received, disposed off & pending during the year ended March 31, 2020 under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 is as under:

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

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

Place: New Delhi
Date: June 26, 2020

Sd/-
Dr. Vinay Bharat Ram
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: New Delhi
Date: June 26, 2020

Sd/-
Jitendra Tuli
Managing Director

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of DCM Limited

We have examined the compliance of conditions of Corporate Governance by **DCM Limited** ("the Company") for the year ended March 31, 2020, 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

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Auditors' Responsibility

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

In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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.

Restriction on use

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 : 20087294AAAAEL6546

Place: New Delhi
Date: 26 June 2020

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

ENGINEERING DIVISION

Industry Structure and Developments

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. Growth in the industrial sector, post-recession, especially in manufacturing activities, has given a boost to the foundry industry.

There are approximately 5,000 units out of which 90% can be classified as MSME's, out of which approximately 1500 units have some 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.

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 brake drums and housings, clutch and flywheel housing.

Opportunities and Outlook

COVID-19 outbreak adds woes to the auto components industry, production revenue expected to decline for second consecutive year.

CRISIL Research projects domestic auto-component production revenue growth to decline by 15-17% in fiscal 2021.

Due to the COVID-19 outbreak, there has been an adverse impact on both supply side and demand side for the auto components industry.

In this backdrop of production disruption and muted demand sentiments, it is expected that, in fiscal 2021 as well, demand for auto components is expected to decline. Volume demand from OEMs will decline by ~13-24% across asset classes. Further, export demand is also expected to decline by ~20% (in value terms) as more than 50% of our exports are to Europe and US and demand is expected to decline from these markets amid COVID-19 outbreak. Demand from the replacement market is expected to decline by 12-14% (in value terms) due to limited movement of vehicles in fiscal 2021 amid the lockdown imposed. Lower freight demand even post the lockdown will limit the movement of trucks hurting demand in the replacement market. (Source CRISIL Research Report).

CRISIL Research expects auto component market size to grow at 6-8% compound annual growth rate (CAGR) between fiscals 2020 and 2025 to ~Rs 4477 billion on a low base. The industry observed 6% CAGR during fiscal 2015 to fiscal 2020, pulled down by decline in demand in fiscal 2020. Demand from original equipment manufacturers (OEMs) and exports is expected to grow post fiscal 2021 after falling significantly in fiscal 2021. Replacement demand is expected to remain resilient going forward, after facing setback in fiscal 2021.

Financial and Operational performance

The performance of the Engineering Division for the year ended March 31, 2020 is as follows:

S. No.	Particulars	Financial Year ended March 31, 2020	Financial Year ended March 31, 2019
1.	Gross Sales in Quantity (MT)	15,270.00	46,615.00
2.	Gross Production (MT)	14,625.00	51,273.00
3.	Sales & other Income (Rs. in lacs)	12,985.00	38,950.00
4.	Total Expenditure (Rs. in lacs)	(15,424.00)	(39,046.00)
5.	Profit before finance cost, Depreciation, Amortization & Tax (Rs. in lacs)	(2,439.00)	(96.00)

S. No.	Particulars	Financial Year ended March 31, 2020	Financial Year ended March 31, 2019
6.	Finance Cost (Rs. in lacs)	(1,055.00)	(1,294.00)
7.	Depreciation (Rs. in lacs)	(1,139.00)	(1,671.00)
8.	Profit before Tax (Rs. in lacs)	(4,633.00)	(3,061.00)

During the year, the Division achieved total dispatch of 15,271 MT (previous year 46,615 MT). The Engineering Division continued to make losses because of lower volume due to production constraints and high rejection primarily on account of situation of industrial unrest coupled with automobile recession, decline in margin because of increased input cost and under recovery of the fixed overheads.

The Company has received notice(s)/petition(s) from certain Operational Creditors/Bank of Engineering Division for recovery of their outstanding dues. The Company is taking necessary action in this regard.

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 establish a high productivity environment through appropriate collaboration with workmen is key to established 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 maintains 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.

Manpower Development

The company has continued its efforts and focus on capability and skill upgradation through structured training and development in the Division. The division has established a fully functional training centre called "Gurukul" and a dedicated team for training and development activities. The total number of people on the rolls of the Engineering Division are 802.

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.

In spite of all troubles created by workmen, the Division continued to be supportive of its staff/workmen by paying salary in time in spite of cash losses. The management regularly held counseling sessions with workmen to convince them to collaborate with management in everyone's interest. Govt authorities were involved in convincing the workmen to follow safety and productivity norms.

However, the workmen continued not following work & quality standards, not adhering to productivity norms.

Management Discussion and Analysis continued

The Division continued to make losses because of lower volume due to production constraints and high rejection primarily on account of situation of industrial unrest coupled with automobile recession.

Further, the adverse labour action had created a situation which has resulted in lock-out lockout effective October 22, 2019.

IT DIVISION

IT Business of the Company stand transferred and vested with DCM Infotech Limited, a Wholly Owned Subsidiary of the Company, as going concern, pursuant to the Business Sale Agreement entered into and with DCM Infotech Limited w.e.f September 16, 2019.

Industry Structure and Developments

FY20 began with the digital transformation trend gaining further momentum, leading to substantial growth in portfolio. Across the dynamic global business landscape, disruptive emerging technologies continued to drive IT spends. The year saw the revival of IT-modernisation spends in the market, subdued in the past few years.

According to the Strategic Review 2020 published by NASSCOM (the "NASSCOM Report"), IT export revenues from India grew by 8.1% to an estimated \$147 billion in the fiscal year 2020. India's global IT industry grew by 7.7% to reach \$191 billion during the year ended March 31, 2020. Growth in core traditional services revenues are expected to be moderate, whereas digital technology is continuing to gain prominence due to increased technology adoption by governments and businesses upgrading platforms, products and solutions to enhance the consumer experience. Big data and analytics, cloud computing, cyber security and advanced technologies such as artificial intelligence ("AI"), machine learning ("ML"), IoT, robotics, and 3D printing are profoundly impacting enterprise, government and end consumer segments by enabling new business opportunities across sectors.

Opportunities and Outlook

As a major portion of the Division's business is linked to US –based companies, any turbulence in the US economy could lead to an adverse impact on the Division's financials. In USA, the rhetoric linked with the "America First Policy", "buy American", "hire American" & "retain jobs in America" policies has started having an indirect impact on Indian IT companies.

India had been a slow adopter for the cloud technologies. However over the last year we have started seeing action in requirements for the cloud. As per a Nasscom study over the next 3 years the market for cloud related services will boom in India.

The Division has invested now in technical skills for being able to sell and implement cloud related services on Microsoft (Azure & Office 365), Amazon (AWS) and IBM (Public Cloud and ICP). The Division is building relationships across USA and Middle East to be able to sell these services through partners in these geographies. The Division also sees an opportunity to partner with companies who operate as diversity companies in the US. The Division hopes to augment their capability to pick up more business from their customers.

Based on market conditions and the growth prospects both in India and the USA, the Division is consistently investing to build capabilities in new areas in the IT infrastructure domain, which will help us grow faster.

Financial and Operational Performance:

The financial performance of the IT Division for the period April 1, 2019 to September 15, 2019 is as follows:

(Rs. in Lacs)

S. No.	Particulars	For the period April 1, 2019 to September 15, 2019 (Audited)	Financial Year ended March 31, 2019 (Audited) (12 Months)
1	Sales & Other Income	2,215.00	4,412.00
2	Total Expenditure	(2,029.00)	(4,206.00)
3	Profit before finance cost, Depreciation, Amortization & Tax	186.00	206.00
4	Finance Cost	(20.00)	(4.00)
5	Depreciation & Amortizations	(38.00)	(25.00)
6	Profit Before Tax	128.00	177.00

During the period under review operations of the division were stable.

Risks and Concerns

As a major portion of the Division's business is linked to US –based companies, any turbulence in the US economy could lead to an adverse impact on the Division's financials.

The impact of the America First Policy of the Trump administration is still not clear, especially with respect to immigration, manpower movement, off-shoring of jobs, etc.

Buying in India is primarily government driven. Since the division has a large exposure in the managed services implementation business to government orders, there can be delays in order closure.

The Division's business is concentrated with a few Customers. Any change in our customers' business / preferences will have a large impact on our revenue. Given this fact, over the last few years the Division has consciously been working on building new customers.

Manpower sourcing, on time and of the desired quantity is one of the biggest challenges for future growth and customer satisfaction.

Since a major part of the transaction is in foreign exchange, the exchange rate fluctuation has a direct and significant impact on profitability. Any appreciation in the Indian Rupee will have a direct adverse impact on both the revenues and profits of the Division.

Internal Controls

The operations of the Division are spread across different geographies, including India and the USA. Hence, commensurate internal controls have been instituted that are regularly upgraded in-line with the changes in the regulatory and control requirements. The Division has adequate control systems and internal policies, for order processing, legal compliances, employee recruitment and management, accounting, maintenance services and security systems to safeguard its IT infrastructure.

Manpower Development /Industrial Relations

The Division's business model is manpower-centric and involves providing high end technical services to clients in the field of IT Infrastructure Services. Availability of skilled & employable resources continues to be a major challenge, both in the USA and in India. Hence, it is necessary to train and upgrade the skills of our manpower resources to meet the business requirements. The Division has an in house Competency Centre to impart hands-on training to employees in various IT Infrastructure skills. This in-house capability is the backbone of our operations. During the period under review the total number of people on the rolls of the IT Division is 171.

Management Discussion and Analysis continued

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:

Sr. No.	Particulars	On Standalone Basis				On Consolidated Basis			
		For Year 2019-20	For Year 2018-19	% Change	Explanation	For Year 2019-20	For Year 2018-19	% Change	Explanation
1	Debtors Turnover Ratio	3.02	9.67	(68.83)	Please refer note no. i	3.40	9.67	(64.83)	Please refer note no. ii
2	Inventory Turnover Ratio	1.43	4.92	(70.89)	Please refer note no. i	1.80	4.92	(63.29)	Please refer note no. ii
3	Current Ratio	0.20	1.12	(82.14)	Please refer note no. i	0.34	1.13	(69.91)	Please refer note no. ii
4	Debt Equity Ratio	2.02	1.28	57.81	Please refer note no. i	(14.73)	1.41	(1144.68)	Please refer note no. ii
5	Interest Coverage Ratio								
i.	Continuing Business	(0.96)	(1.16)	17.23	Please refer note no. i	(0.35)	(1.17)	70.05	Please refer note no. ii
ii.	Discontinued Business	9.99	5.52	80.93	Please refer note no. i	-	5.40	(100)	Please refer note no. ii
iii.	Company /Group as Whole	(0.75)	2.34	(132.13)	Please refer note no. i	(0.35)	2.27	(115.39)	Please refer note no. ii
6	Operating Profit Margin								
i.	Continuing Business	(7.95)	(3.85)	(104.52)	Please refer note no. i	(2.06)	(3.54)	41.68	Please refer note no. ii
ii.	Discontinued Business	9.20	11.19	(17.79)	Please refer note no. i	0	11.66	(100)	Please refer note no. ii
iii.	Company /Group as Whole	(5.45)	5.86	(192.98)	Please refer note no. i	(2.06)	5.68	(136.30)	Please refer note no. ii
7	Net Profit Margin								
i.	Continuing Business	(25.24)	(11.62)	(117.24)	Please refer note no. i	(15.75)	(10.43)	(51.01)	Please refer note no. ii
ii.	Discontinued Business	6.55	6.67	(1.80)	Please refer note no. i	0.00	6.76	(100.00)	Please refer note no. ii
iii.	Company /Group as Whole	(20.61)	0.21	(10051.04)	Please refer note no. i	(15.75)	0.00	-	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:

Sr. No.	Particulars	On Standalone Basis				On Consolidated Basis #			
		For Year 2019-20	For Year 2018-19	% Change	Explanation	For Year 2019-20	For Year 2018-19	% Change	Explanation
1	Return on net worth	(218.91)	1.17	(18810.26)	Please refer note no. i	(1503.14)	0.01	(14669678)	Please refer note no. ii

In case of Negative net worth and losses in current year, the ratio is calculated as positive but shown as negative. Further increasing trend in the ratio towards negative is to be read as deterioration in ratio and decreasing trend in the negative ratios to be read as improvement.

Note:-

i. Note - standalone

Demerger of Textile Business : NCLT vide its Order dated May 01, 2019 has sanctioned the Scheme of Arrangement for the demerger of the cotton textile business undertaking of the Company and vesting of the same with Resulting Company (DCM Nouvelle Limited), on a going concern basis with effect from appointed date of April 1, 2019. Pursuant to the said scheme becoming effective assets and liabilities as on the appointed date and income and expenses of cotton textile business undertaking of the relevant year(s) was transferred to and vested with DCM Nouvelle Limited.

Slump sale of IT Business : Further, Company has transferred/vested its IT business undertaking to its wholly owned subsidiary "DCM Infotech Limited" as going concern w.e.f September 16, 2019 by way of slump sales under business purchase agreement dated September 24, 2019.

Pursuant to above demerger and slump sales of Textile and IT business respectively, the continuing business of the Company comprises of its engineering business operation.

Accordingly, the ratios of continuing and discounting businesses have been worked out separately after giving effect of above demerger and slump sale of businesses. Hence combined ratios/figures of current year comprising of both continuing and discontinuing businesses, are not comparable to that extent.

Further due to continued situation of industrial unrest at Engineering Business undertaking, continuing business, and subsequently declaration of its lockout w.e.f. October 22, 2019 on account of aforesaid situation, the ratios of said continuing engineering business operation of the Company have significantly been further deteriorate for the current year.

ii. Note - Consolidated

Demerger of Textile Business : NCLT vide its Order dated May 01, 2019 has sanctioned the Scheme of Arrangement for the demerger of the cotton textile business undertaking of the Company and vesting of the same with Resulting Company (DCM Nouvelle Limited), on a going concern basis with effect from appointed date of April 1, 2019. Pursuant to the said scheme becoming effective assets and liabilities as on the appointed date and income and expenses of cotton textile business undertaking of the relevant year(s) was transferred to and vested with DCM Nouvelle Limited.

Pursuant to above demerger of Textile business, the consolidated accounts, the continuing business of the Company comprises of its engineering business and IT business (transferred/ vested with 100% subsidiary namely DCM Infotech limited w.e.f September 16, 2019)

Accordingly, the ratios of continuing and discounting businesses have been worked out separately after giving effect of above demerger of textile business. Hence combined ratios/figures of current year comprising of both continuing and discontinuing businesses, are not comparable to that extent.

Further due to continued situation of industrial unrest at Engineering Business undertaking, continuing business, and subsequently declaration of its lockout w.e.f. October 22, 2019 on account of aforesaid situation, the ratios of said continuing engineering business operation of the company have significantly been further deteriorate for the current year. However, the business operation of IT business continues to remain stable.

iii. In the case of negative ratios remain negative and decreased, change in ratio is shown as improvement and when negative ratio remains negative but increased, it is shown as deterioration.

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: August 26, 2020

Sd/-
Dr. Vinay Bharat Ram
Chairman

DCM

Independent Auditor's Report on the Standalone Financial Statements

INDEPENDENT AUDITORS' REPORT

To the members of DCM Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **DCM Limited** ("the Company"), which comprise the balance sheet as at March 31, 2020, the statement of profit and loss (including other comprehensive income), cash flow statement and the statement of changes in equity for the year then ended, and notes to the standalone financial statements, including a summary of 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 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Act and the Rules issued thereunder and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), specified under Section 143(10) of the Act. Our responsibilities under those Standards 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 audit opinion on the standalone financial statements.

Material uncertainty relating to Going Concern

We draw attention to note 55 of the standalone financial statements which indicates that due to industrial unrest in its engineering business unit coupled with recession in the automotive sector, the Company is currently facing liquidity issues towards clearing of statutory dues, vendor payments and borrowings pertaining to its Engineering Division. This has significantly eroded the Company's net worth and the current liabilities exceed the current assets by Rs. 8,125.81 lakh as at March 31, 2020. The Covid 19 pandemic has further added uncertainties as referred to in Note 59. The Company has taken steps for restructuring of its Engineering Division as explained in the note 41(c). The management of the Company believes that with the restructuring of its 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, the Company will be able to continue its operation on a going concern basis. Accordingly, these standalone financial statements of the Company has been prepared on a going concern basis.

Emphasis of Matter

We draw attention to the Note 57 of the standalone financial statements, during the current year in view of continued situation of industrial unrest, the Company has declared lockout at its engineering business undertaking. On the basis of legal advice, the 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 October 22, 2019 to March 31, 2020 aggregating to Rs. 890 lakhs.

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, 2020. 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 each 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 the Auditor's responsibilities for the audit of the 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 results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying these standalone financial statements

Key audit matters	How our audit addressed the key audit matters
As at March 31, 2020, the Company's balance sheet includes property, plant and equipment amounting to Rs. 5,866.58 lakhs.	Our procedures in relation to management's impairment assessment included, but not limited to, the following procedures:
The Engineering division has continuous losses and accordingly, the management has assessed it for impairment.	<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, 2020;
The assessment of the recoverable value of the assets of the Engineering division aggregating Rs. 5067.54 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.	<ul style="list-style-type: none"> • obtaining valuation report in respect of land and plant & equipment carried out by external valuer; • assessing appropriateness of impairment assessment and methodologies used;
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.	<ul style="list-style-type: none"> • 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 Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Director's Report including Annexures to Director's Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is 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 financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with Ind AS and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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, management is 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the 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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.
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 balance sheet, the statement of profit and loss (including other comprehensive income), the cash flows statement and the statement of changes in equity 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 relevant Rules issued thereunder;
 - e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;

Auditor's Report continued

- g) In our opinion, and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- The Company has disclosed the impact of pending litigations as at March 31, 2020 on its financial position in its standalone financial statement refer Note 47(b);
 - The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - There had been no delay in transferring amount required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances covered under the provisions of section 185 and 186 of the Act. Therefore, provisions of paragraph 3(iv) of the Order is not applicable to the Company.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder.
- vi. We have broadly reviewed the Cost Accounting records maintained by the Company pursuant to the Rules prescribed by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We are, however, not required to make a detailed examination of such books and records with a view to determine whether they are accurate or complete.

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

SUNIL WAHAL
Partner

Place: New Delhi
Date: 26 June 2020

Membership No. 087294
UDIN: 20087294AAAAEH3623

Annexure A to the Independent Auditor's Report to the members of DCM Limited on its standalone financial statements dated June 26, 2020.

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("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.

- The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - According to information and explanations given to us, the Company has a regular program of physical verification of its fixed assets by which all fixed assets are verified, in a phased manner, over a period of three years. The frequency of which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification. In accordance with this programme, certain assets have been physically verified by the management during the current year. As informed to us, no material discrepancies were noticed on such verification.
 - In our opinion, and according to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.
- The Management of the Company has conducted physical verification of inventory at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable having regard to size of the Company and nature of business. No material discrepancies were noticed on such physical verification.
- According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, provisions of paragraph 3 (iii) of the Order is not applicable to the Company.

- According to the records of the Company examined by us and the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including Employees' Provident Fund, Employees' State Insurance, Investor Education and Protection Fund, Income Tax, Goods & Service Tax, Custom Duty, Cess and any other material statutory dues, as applicable, with the appropriate authorities during the year and there are no such undisputed amounts payable which have remained outstanding as at March 31, 2020 for a period of more than six months from the date they became payable.
 - According to the records of the Company, there are no dues in respect of Income-tax, Sales-tax, Service-tax, Customs Duty, Excise Duty and Value added tax which have not been deposited on account of any dispute except as mentioned below:

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
Income Tax Act, 1961	Income Tax	19.54	-	2016-2017	CIT (Appeals)
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	2010-2011	
		130.25	35.09	2009-2010	

* 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 or the refunds due to the Company being no longer due for payment, have not been considered.

Auditor's Report continued

The following matters which have been excluded from the table have been decided in favour of the Company, although we are informed that the concerned regulatory authority has preferred appeal at a higher level:

Name of Statute	Nature of dues	Amount of Dispute (Rs. in lakhs)	Financial Year to which it relates	Forum where the dispute is pending
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	51.37	2012-2013	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	48.33	2013-2014	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax	36.11	2015-2016	Income Tax Appellate Tribunal

- viii. On the basis of the audit procedures performed by us, the information & explanations furnished, and representations made by the management, the Company has made defaults in repayment of dues including interest to banks. Term loans availed from State Bank of India and ICICI bank Limited aggregating to Rs. 384.28 lakhs and interest of Rs 16.01 lakhs remained in default as on 31.3.2020 pertaining to the period from October 2019 to March 2020. Further cash credit facility from these banks are overdrawn by Rs. 537.88 lakhs since September 2019. There are no outstanding debentures at year end and the Company has not taken any loan from financial institution and government.
- ix. In our opinion, and according to the information and explanations given to us, the Company has not raised any money way of initial public offer / further public offer. Further, the Company has not taken any term loan during the year. Hence, reporting as per provisions of clause 3(ix) of the Order is not applicable to the Company.
- x. In our opinion, and according to the information and explanations given to us, we report that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.
- xi. In our opinion, and according to the information and explanations given to us, the managerial remuneration has been paid / provided in accordance with the provisions of section 197 of the Act.
- xii. The Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with Section 177 and 188 of Act and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable Indian accounting standards.
- xiv. According to the information and explanations given to us and on an overall examination of the books of account, the Company has not made any preferential allotment and private placement of shares or fully & partly convertible debentures during the year under audit. Accordingly, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- xv. In our opinion, and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred in section 192 of the Act.

- xvi. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

SUNIL WAHAL
Partner

Place: New Delhi
Date: 26 June 2020

Membership No. 087294
UDIN: 20087294AAAAEH3623

Annexure B to the Independent Auditor's Report to the Members of DCM Limited on its standalone financial statements dated June 26, 2020.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls over financial reporting of the **DCM Limited** ('the Company') as of March 31, 2020 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 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 company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's 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, both 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 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 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, 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's Registration No. 000756N

SUNIL WAHAL
Partner

Place: New Delhi
Date: 26 June 2020

Membership No. 087294
UDIN: 20087294AAAAEH3623

Standalone Balance Sheet as at March 31, 2020

Particulars	Note	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	3	5,866.58	17,217.15
Capital work-in progress	3	7.25	86.34
Right to use assets	4	19.99	-
Intangible assets	4	33.55	39.39
Financial assets			
(i) Investments	5	3,341.10	3,356.10
(ii) Loans	6	185.26	1,030.93
(iii) Other financial assets	7	58.66	140.60
Non-current tax assets (net)	8	583.72	630.90
Other non-current assets	9	952.65	1,932.86
Total non-current assets		11,048.76	24,434.27
Current assets			
Inventories	10	1,350.59	21,153.67
Financial assets			
(i) Trade receivables	11	70.34	9,823.05
(ii) Cash and cash equivalents	12	37.89	1,362.95
(iii) Bank balances other than (ii) above	13	127.15	246.96
(iv) Loans	14	25.58	48.47
(v) Other financial assets	15	121.84	191.94
Current tax assets (net)		0.93	16.81
Other current assets	16	91.17	1,406.39
Assets held for sale	51	207.55	212.53
Total current assets		2,033.04	34,462.77
Total assets		13,081.80	58,897.04
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	1,867.77	1,867.46
Other equity	18	(447.43)	17,592.19
Total equity		1,420.34	19,459.65
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	19	92.42	5,994.00
(ii) Other financial liabilities	20	549.89	654.28
Provisions	21	860.30	1,932.62
Total non-current liabilities		1,502.61	8,580.90
Current liabilities			
Financial liabilities			
(i) Borrowings	22	2,239.00	15,236.95
(ii) Trade payables	23		
Dues to micro and small enterprises		2,045.55	2,085.44
Dues to others		3,516.81	5,926.71
(iii) Other financial liabilities	24	1,795.25	5,739.69
Other current liabilities	25	318.45	1,352.74
Provisions	26	149.74	389.89
Current tax liabilities (net)	27	94.05	125.07
Total current liabilities		10,158.85	30,856.49
Total equity and liabilities		13,081.80	58,897.04

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

As per our report of even date attached

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 : June 26, 2020

Dr. Vinay Bharat Ram

Chairman

DIN: 00052826

Ashwani Singhal

Chief Financial Officer

Place : New Delhi

Date : June 26, 2020

Jitendra Tuli

Managing Director

DIN: 00272930

Vimal Prasad Gupta

Company Secretary

Bipin Maira

Director

DIN: 05127804



Standalone Statement of Profit and Loss for the year ended March 31, 2020

Particulars	Note	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
Income			
Revenue from operations	28	12,890.01	38,875.62
Other income	29	2,611.78	307.96
Total income		15,501.79	39,183.58
Expenses			
Cost of materials consumed	30	4,044.72	16,539.44
Changes in inventories of finished goods and work in progress	31	2,520.89	(1,574.99)
Employee benefits expense	32	3,428.18	7,512.83
Finance costs	33	1,071.90	1,308.35
Depreciation and amortisation expense	34	1,177.13	1,718.52
Other expenses	35	6,533.10	18,217.95
Total expenses		18,775.92	43,722.10
(loss) before tax		(3,274.13)	(4,538.52)
Tax expense	36		
Current tax expense		-	-
Tax adjustment relating to prior years		(56.29)	-
Deferred tax charge/(credit)		-	-
		(56.29)	-
(loss) for the year - continued operations		(3,217.84)	(4,538.52)
Profit before tax - discontinued operations		144.07	4,818.70
Tax expense		-	80.55
Profit after tax - discontinued operations		144.07	4,738.15
(Loss)/profit for the year		(3,073.77)	199.63
Continuing operations			
<i>Items that will not be reclassified to profit or loss</i>			
Re-measurement gain/ (losses) of defined benefit obligations		(35.54)	21.74
Income tax relating to remeasurement of defined benefit obligations		-	-
Net other comprehensive income/(expense) not to be reclassified subsequently to profit or loss		(35.54)	21.74
Discontinued operations			
<i>Items that will not be reclassified to profit or loss</i>			
Re-measurement gain/ (losses) of defined benefit obligations		-	(42.21)
Income tax relating to remeasurement of defined benefit obligations		-	(4.21)
Net other comprehensive income/(expense) not to be reclassified subsequently to profit or loss		-	(38.00)
<i>Items that will be reclassified to profit or loss (net of tax)</i>			
Exchange difference in translating financial statements of foreign operations		-	55.93
Income tax relating to items that will be reclassified to profit or loss		-	11.51
Net other comprehensive income/(expense) to be reclassified subsequently to profit or loss		-	44.42
Total other comprehensive (loss)/income, net of tax		(35.54)	28.16
Total comprehensive (loss)/income for the year		(3,109.31)	227.79
Earnings per equity share of Rs. 10 each			
Basic and diluted - from continuing operations	39	(17.23)	(24.30)
Basic and diluted - from discontinued operations		0.77	25.37
Basic and diluted - from continuing and discontinued operations		(16.46)	1.07

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

As per our report of even date attached

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

Dr. Vinay Bharat Ram

Chairman

DIN: 00052826

Jitendra Tuli

Managing Director

DIN: 00272930

Bipin Maira

Director

DIN: 05127804

Place : New Delhi

Date : June 26, 2020

Ashwani Singhal

Chief Financial Officer

Place : New Delhi

Date : June 26, 2020

Vimal Prasad Gupta

Company Secretary

Statement of Standalone changes in equity for the year ended March 31, 2020

Statement of Standalone changes in equity for the year ended March 31, 2020

A. Equity share capital

(Rupees in lakhs)

Particulars	Note	Amount
Balance as at April 1, 2018	17	1,867.46
Changes in equity share capital during 2018-19	17	-
Balance as at March 31, 2019		1,867.46
Changes in equity share capital during 2019-20	17	0.31
Balance as at March 31, 2020		1,867.77

B. Other equity

(Rupees in lakhs)

Particulars	Reserve and surplus				Items of OCI	Total
	Securities premium	Capital redemption reserve	Capital reserves	Surplus in Statement of Profit or loss	Exchange difference on translation of foreign operation	
Balance as at April 1, 2018	7,367.00	130.10	24.90	9,866.48	(24.51)	17,363.97
Total comprehensive income for the year ended March 31, 2019						
Transferred from Crescita Enterprises Private Limited on amalgamation (refer note 42)			1,723.18	(0.07)		1,723.11
Adjustment on cancellation of shares acquired on amalgamation (refer note 42)			(1,722.68)	-		(1,722.68)
Profit for the year	-	-	-	199.63	-	199.63
Other comprehensive income / (loss) for the year	-	-	-	(16.26)	44.42	28.16
Share issued during the year	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	183.37	44.42	227.79
Balance as at March 31, 2019	7,367.00	130.10	25.40	10,049.78	19.91	17,592.19
Balance as at April 1, 2019	7,367.00	130.10	25.40	10,049.78	19.91	17,592.19
Total comprehensive income for the year ended March 31, 2020						
Transferred to DCM Nouvelle Limited on demerger (refer note 41)	(6,305.81)	-	-	(8,619.19)	-	(14,925.00)
Adjustment on cancellation of investment in DCM Nouvelle Limited (refer note 41) and calls in arrears			-	(5.31)	-	(5.31)
Loss for the year	-	-	-	(3,073.77)	-	(3,073.77)
Other comprehensive income / (loss) for the year	-	-	-	(35.54)	-	(35.54)
Exchange difference reserve recognised in profit or loss statement on sale of foreign operations				19.91	(19.91)	-
Total comprehensive loss for the year	-	-	-	(3,089.40)	(19.91)	(3,109.31)
Balance as at March 31, 2020	1,061.19	130.10	25.40	(1,664.12)	0.00	(447.43)

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

As per our report of even date attached

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 : June 26, 2020

Dr. Vinay Bharat Ram

Chairman

DIN: 00052826

Ashwani Singhal

Chief Financial Officer

Place : New Delhi

Date : June 26, 2020

Jitendra Tuli

Managing Director

DIN: 00272930

Vimal Prasad Gupta

Company Secretary

Bipin Maira

Director

DIN: 05127804

DCM

Standalone Cash flow statement for the year ended March 31, 2020

Particulars	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
Cash flow from operating activities		
Loss before taxation - Continued operations	(3,274.13)	(4,538.52)
Profit before taxation - Discontinued operations	144.07	4,818.70
Adjustments for :		
Depreciation and amortisation expense	1,215.19	3,443.82
(Profit)/ loss on sale of property, plant and equipment (net)	(2,435.37)	(5.24)
Liabilities no longer required written back	-	(162.11)
Unrealised foreign exchange difference	-	22.94
Interest income	(70.82)	(276.04)
Unwinding of discount on security deposits	6.30	(0.14)
Inventory of store and spares written off	-	292.89
Finance cost	1,092.17	2,755.20
Finance lease income	(11.67)	(17.02)
Allowance/ (reversal) of expected credit loss	(49.47)	107.49
Loss on finance lease cancellation	-	14.24
Remeasurement of revenue to finance income and lease receivable	88.58	111.95
Operating cash flow before working capital changes	(3,295.15)	6,568.16
Changes in assets and liabilities		
(Increase)/decrease in inventories	2,858.89	(321.62)
(Increase)/decrease in trade receivables	2,453.95	1,928.68
(Increase)/decrease in loans and advances	490.41	(79.33)
(Increase)/ decrease in other financial assets	(141.86)	456.69
(Increase)/decrease in other assets	34.87	627.37
Increase/ (decrease) in trade payables	(1,249.46)	(2,471.89)
Increase/(decrease) in provisions	(431.67)	(112.09)
Increase/(decrease) in financial liabilities	257.51	328.05
Increase/(decrease) in other liabilities	(625.44)	530.21
Cash generated from operations	352.05	7,454.23
Income-taxes (paid)/ refund	72.45	237.45
Net cash generated from operating activities (A)	424.50	7,691.68
Cash flow from investing activities		
Purchase of property, plant and equipment	(53.39)	(902.86)
Net proceeds from sale of rights in flats	2,290.30	-
Purchase of intangible assets	(13.19)	(2.12)
Proceeds from sale of business	800.82	-
Net proceeds from sale of property, plant and equipment	1,792.42	26.27
Proceeds from redemption of preference shares	20.00	-
Interest received	61.62	272.39
Deposits (made)/ matured not considered as cash and cash equivalents	88.46	203.23
Net cash generated from/ (used) in investing activities (B)	4,987.04	(403.09)
Cash flow from financing activities		
Repayment of borrowings	(3,134.82)	(2,619.95)
Proceeds from borrowings	-	339.47
Changes in working capital borrowings	(1,248.92)	(1,711.86)
Payment towards lease liability	(46.82)	-
Finance cost paid	(1,019.42)	(2,716.61)
Net cash (used) in financing activities (C)	(5,449.98)	(6,708.95)
Net cash flows [increase/(decrease)] during the year (A+B+C)	(38.44)	579.64
Impact of exchange rate change on cash and cash equivalent	-	19.19
Cash and cash equivalents at the beginning of the year	1,448.23	849.03
Cash and cash equivalents transferred on demerger (Refer note 41)	(1,012.38)	0.37
Cash and cash equivalents transferred on sale of IT business (refer note 41)	(303.35)	-
Cash and cash equivalents at the end of the year	94.06	1,448.23
Components of cash and cash equivalents		
Cash on hand	4.54	13.05
Balances with scheduled banks:		
- Current accounts *	89.52	1,335.45
- Deposit accounts	-	99.73
Cash and cash equivalents at the end of the year	94.06	1,448.23
* Refer note 12 and 13		

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 attached

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

Dr. Vinay Bharat Ram
Chairman
DIN: 00052826

Jitendra Tuli
Managing Director
DIN: 00272930

Bipin Maira
Director
DIN: 05127804

Place : New Delhi
Date : June 26, 2020

Ashwani Singhal
Chief Financial Officer

Vimal Prasad Gupta
Company Secretary

Place : New Delhi
Date : June 26, 2020

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 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 June 26, 2020.

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 lakhs, 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

c. 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, 2021 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.

Changes in significant accounting policies

The Company has initially applied Ind AS 116 from 1 April 2019.

Effective April 01, 2019, the Company has adopted IND AS 116 “Leases” using modified retrospective approach. This has resulted in recognizing right of use assets and lease liability as on April 01, 2019. The adoption of the Standard did not have any material impact on the financial statements of the Company.

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. 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.

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-financial 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 lakhs)

Particulars	Freehold land	Buildings	Lease improvements	Plant and equipment	Furniture and fittings	Office equipment	Vehicles	Total	Capital work-in-progress
Gross carrying value									
Balance as at March 31, 2018	1,917.98	4,543.43	18.45	19,689.03	59.29	114.42	415.96	26,758.56	205.60
Add: Additions made during the year	-	10.75	-	907.80	2.34	18.86	99.70	1,039.45	306.03
Less: Disposals / adjustments during the year	-	-	-	6.85	0.02	0.24	45.57	52.68	425.29
Balance as at March 31, 2019	1,917.98	4,554.18	18.45	20,589.98	61.61	133.04	470.09	27,745.33	86.34
Add: Additions made during the year	-	281.16	-	58.17	12.89	20.34	9.22	381.78	8.65
Less: Assets transferred in demerger/slump sale	687.10	3,139.28	18.43	10,958.90	27.52	44.40	188.19	15,063.82	20.05
Less: Disposals / adjustments during the year	724.73	318.73	-	0.31	12.13	0.04	5.82	1,061.76	67.69
Balance as at March 31, 2020	506.15	1,377.33	0.02	9,688.94	34.85	108.94	285.30	12,001.53	7.25
Accumulated depreciation/amortisation									
Balance as at March 31, 2018	-	321.05	10.04	6,597.00	20.65	44.80	143.52	7,137.06	-
Add: Depreciation expense for the year	-	162.09	2.32	3,142.05	7.74	24.66	83.91	3,422.77	-
Less: On disposals / adjustments during the year	-	-	-	1.31	-	-	30.34	31.65	-
Balance as at March 31, 2019	-	483.14	12.36	9,737.74	28.39	69.46	197.09	10,528.18	-
Add: Depreciation expense for the year -continued operations	-	46.32	-	1,046.21	5.31	13.86	37.39	1,149.09	-
Add: Depreciation for the year for discontinued operations	-	1.37	0.97	3.93	0.13	1.15	2.79	10.34	-
Less: Accumulated depreciation on assets transferred in demerger and business purchase agreement (refer foot note iii)	-	347.24	13.33	5,053.90	11.73	21.17	75.37	5,522.74	-
Less: On disposals / adjustments during the year	-	20.55	-	0.17	7.11	0.03	2.06	29.92	-
Balance as at March 31, 2020	-	163.04	-	5,733.81	14.99	63.27	159.84	6,134.95	-
Net carrying value									
As at March 31, 2020	506.15	1,214.29	0.02	3,955.13	19.86	45.67	125.46	5,866.58	7.25
As at March 31, 2019	1,917.98	4,071.04	6.09	10,852.24	33.22	63.58	273.00	17,217.15	86.34

(i) For details of assets pledged/ hypothecated as securities, refer note 19 and 22.

(ii) Refer note 47 (a) for disclosure of capital commitments for the acquisition of property, plant and equipment.

(iii) Refer note 41 for assets transferred under Scheme of Arrangement and slump sale under Business Purchase agreement.

4. Intangible assets and Right to use assets

(Rupees in lakhs)

Particulars	Software	Right of use assets	Total
Gross carrying value			
Balance as at March 31, 2018	120.94	-	120.94
Add: Additions during the year	2.12	-	2.12
Less: Disposals / adjustments during the year	-	-	-
Balance as at March 31, 2019	123.06	-	123.06
Add: Reclassified on account of adoption of Ind AS 116 *	-	326.66	326.66
Add: Additions during the year	13.19	-	13.19
Less: Assets transferred in demerger/slump sale	6.81	296.68	303.49
Less: Disposals / adjustments during the year	-	-	-
Balance as at March 31, 2020	129.44	29.98	159.42
Accumulated amortisation			
Balance as at March 31, 2018	62.62	-	62.62
Add: Additions during the year	21.05	-	21.05
Less: Disposals / adjustments during the year	-	-	-
Balance as at March 31, 2019	83.67	-	83.67
Add: Amortisation expense for the year from continued operation	18.05	9.99	28.04
Add: Amortisation expense for the year from discontinued operation	0.23	27.49	27.72
Less: Accumulated depreciation related to assets transferred in demerger/slump sale	6.06	27.49	33.55
Less: On disposals/adjustments during the year	-	-	-
Balance as at March 31, 2020	95.89	9.99	105.88
Net book value			
As at March 31, 2020	33.55	19.99	53.54
As at March 31, 2019	39.39	-	39.39

(i) Refer note 41 for assets transferred under Scheme of Arrangement and slump sale under Business Purchase agreement.

Notes to the Standalone financial statements for the year ended March 31, 2020 continued

* Ind AS 116 Disclosure

Effective April 01, 2019, the Company has adopted IND AS 116 "Leases" using modified retrospective approach. This has resulted in recognizing right of use assets and lease liability as on April 01, 2019. The adoption of the Standard did not have any material impact on the financial results of the Company.

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

(Rupees in lakhs)

As at April 1, 2019	
Reclassified on account of adoption of Ind AS 116	326.66
Acquisition	-
Accretion of interest - Countinued operation	3.15
Accretion of interest - Discountinued operation	15.89
Transfer in slump sale / demerger	277.18
Deletions	-
Payments	46.81
As at March 31, 2020	21.72
Current	-
Non-current²	21.72

The effective interest rate for lease liabilities is 12.00%, with maturity between 2020-2022

The following are the amounts recognised in profit or loss:

Year ended March 31, 2020 (Leases under Ind AS 116)	(Rupees in lakhs)
Depreciation expense of right of use assets	
- Countinued operation	9.99
- Discountinued operation	27.49
Interest expense on lease liabilities	
- Countinued operation	3.15
- Discountinued operation	15.89
Expense relating to leases of short-term / low value assets (included in other expenses)	13.58
Total amount recognised in profit or loss	70.10

Amounts recognised in statement of cash flows:

Right to use assets separate disclosure

Year ended March 31, 2020	(Rupees in lakhs)
Financing activities	
Repayment of principal	27.77
Repayment of interest	19.04
Operating activities	
Short term / low value assets lease payment	13.58
Total cash outflow for leases	60.39

Notes to the Standalone financial statements for the year ended March 31, 2020 continued

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
5. Investments		
(a) Investment in equity instruments of subsidiaries at cost (Unquoted)		
DCM Textiles Limited	5.00	5.00
50,000 (March 31, 2019: 50,000) equity shares of face value of Rs. 10 each, fully paid up		
DCM Data Systems Limited	5.00	5.00
50,000 (March 31, 2019: 50,000) equity shares of face value of Rs. 10 each, fully paid up		
DCM Finance & Leasing Limited	5.00	5.00
49,996 (March 31, 2019: 49,996 equity shares of face value of Rs. 10 each, fully paid up		
DCM Realty Investment & Consulting Limited	255.00	255.00
2,550,020 (March 31, 2019: 2,550,020) equity shares of face value of Rs. 10 each, fully paid up		
DCM Tools & Dies Limited	5.00	5.00
50,000 (March 31, 2019: 50,000) equity shares of face value of Rs. 10 each, fully paid up		
DCM Nouvelle Limited *	-	5.00
Nil (March 31, 2019: 50,000) equity shares of face value of Rs. 10 each, fully paid up		
DCM Realty and Infrastructure Limited	5.00	5.00
50,000 (March 31, 2019: 50,000) equity shares of face value of Rs. 10 each, fully paid up		
Sub total	280.00	285.00
(b) Investments in equity shares of Joint venture at cost (unquoted)		
Equity accounted investee		
Purearth Infrastructure Limited #	2,986.18	2,986.18
17,853,605 (March 31, 2019: 17,853,605) equity shares of face value of Rs. 10 each, fully paid up		
Sub total	2,986.18	2,986.18
(c) Investments in preference shares of subsidiary (unquoted)		
Preference shares at amortised cost		
DCM Finance & Leasing Limited		
100 (March 31, 2019: 100) 13.5% Redeemable cumulative preference shares of Rs. 100 each fully paid	0.10	0.10
Sub total	0.10	0.10
(d) In preference shares (unquoted)		
Preference shares at FVTPL		
Combine Overseas Limited	74.82	84.82
80,000 (March 31, 2019: 100,000) 0% Non cumulative redeemable preference shares of Rs. 100 each fully paid up (refer note 45)		
Sub total	74.82	84.82
Investment - non - current - Total	3,341.10	3,356.10
Aggregate cost of unquoted investments in equity shares	3,266.18	3,271.18
Aggregate cost of unquoted investments in preference shares	0.10	0.10
Aggregate cost of unquoted investments in preference shares at FVTPL	74.82	84.82

* Investment in DCM Nouvelle Limited has been cancelled on account of demerger of the textile business as per Scheme of Arrangement approved by NCLT (Refer note 41(a).

In terms of SORA (refer note 40), the 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.

Notes to the Standalone financial statements for the year ended March 31, 2020 continued

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
6. Loans (Non-current)		
<i>Unsecured considered good</i>		
Security deposits	185.26	1,025.89
Loans to employees	-	5.04
Total	185.26	1,030.93

The Company's exposure to credit and currency risks, and loss allowance related to non current financial assets are disclosed in Note 53.

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
7. Other non-current financial assets		
<i>(Unsecured, considered good)</i>		
Finance lease receivable (refer note 38)	58.66	140.60
Total	58.66	140.60

The Company's exposure to credit and currency risks, and loss allowance related to non current financial assets are disclosed in Note 53.

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
8. Non-current tax assets (net)		
Advance income tax [net of provision Rs. 2,699.10 lakhs (March 31, 2019: Rs. 2,666.89 lakhs)]	583.72	630.90
Total	583.72	630.90

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
9. Other non-current assets		
<i>(Unsecured, considered good)</i>		
Capital advances		
To related party (Refer note 49)	149.68	587.37
Others (Refer note 44)	424.63	1,011.55
Deferred rent	-	10.17
Balances with government authorities	194.26	135.32
Other advances	184.08	188.45
<i>Considered doubtful</i>		
Other advances*	502.18	502.18
	1,454.83	2,435.04
Less: Loss allowance for doubtful advances	502.18	502.18
Total	952.65	1,932.86

* Include Rs. 10.00 lakhs (March 31, 2019: Rs. 10.00 lakhs) as inter corporate deposits.

Notes to the Standalone financial statements for the year ended March 31, 2020 continued

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
10. Inventories		
<i>(Valued at lower of cost and net realisable value)</i>		
Raw materials	154.82	13,185.98
Work-in-progress	91.90	2,663.14
Finished goods*	-	3,911.75
Stores and spares	1,103.87	1,392.80
Total	1,350.59	21,153.67

* Includes finished goods in transit Rs. Nil (March 31, 2019: Rs. 2,526.20 lakhs)

(i) For details of inventory pledged/ hypothecated as securities, (refer note 19 and 22)

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
11. Trade receivables		
<i>(Secured)</i>		
Considered good	-	0.50
<i>(Unsecured)</i>		
Considered good	70.34	9,822.55
Which have significant increase in credit risk	2.35	178.54
	72.69	10,001.09
Less : Expected credit loss allowance	2.35	178.54
	70.34	9,822.55
Total	70.34	9,823.05

The Company's exposure to liquidity risks are disclosed in note 53.

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
12. Cash and cash equivalents		
Balances with banks		
- In current accounts	33.35	1,250.17
Deposits with original maturity of three months or less ^	-	99.73
Cash on hand	4.54	13.05
Total	37.89	1,362.95

^ Against margin money

Notes to the Standalone financial statements for the year ended March 31, 2020 continued

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
13. Bank balances other than cash and cash equivalents		
In current accounts *	56.17	85.28
In deposit accounts **	70.98	161.68
	<u>127.15</u>	<u>246.96</u>
Less: Deposits due for realization after twelve months of the reporting date	-	-
Total	<u><u>127.15</u></u>	<u><u>246.96</u></u>
* Current account includes:		
Unpaid dividend account	56.17	79.81
With debenture trustee	-	3.90
Earmarked for specific uses	-	1.57
** Deposit account includes		
Earmarked for specific uses	17.29	3.69
Against margin money	2.50	37.43
The Company's exposure to credit risk, liquidity risks and currency risk are disclosed in note 53.		
	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
14. Loans-Current		
<i>(Unsecured, considered good)</i>		
Loans to employees	25.58	48.47
Total	<u><u>25.58</u></u>	<u><u>48.47</u></u>
The Company's exposure to credit and currency risks, and loss allowance related to current financial assets are disclosed in Note 53.		
	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
15. Other current financial assets		
<i>(Unsecured, considered good)</i>		
Interest accrued on fixed deposits	3.53	4.46
Interest accrued on security deposit	28.62	-
Insurance claim receivables	-	2.08
Unbilled revenue	-	60.81
Finance lease receivable (refer note 38)	81.94	76.90
Forward gain receivable	-	47.69
Other receivable from related party (refer note 49)	7.75	-
Total	<u><u>121.84</u></u>	<u><u>191.94</u></u>
The Company's exposure to credit and currency risks, and loss allowance related to current financial assets are disclosed in Note 53.		
	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
16. Other current assets		
<i>(Unsecured, considered good)</i>		
Advances to suppliers	35.05	146.44
Prepaid expenses	24.90	177.49
Balance with statutory/government authorities	30.60	975.02
Technology upgradation fund (TUF) subsidy receivable	-	74.52
Deferred rent	-	5.34
Others receivables	0.62	27.58
Total	<u><u>91.17</u></u>	<u><u>1,406.39</u></u>

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
17. Equity share capital		
a) Authorised		
83,999,000 (March 31, 2019: 83,999,000) equity shares of Rs. 10 each	8,399.90	8,399.90
100 (March 31, 2019: 100) 13.5% redeemable cumulative preference shares of Rs. 100 each	0.10	0.10
320,000 (March 31, 2019: 320,000) 9.5%- 6th cumulative redeemable cumulative preference shares of Rs. 25 each	80.00	80.00
3,680,000 (March 31, 2019: 3,680,000) preference shares of Rs. 25 each	920.00	920.00
1,000,000 (March 31, 2019: 1,000,000) cumulative preference shares of Rs. 100 each	1,000.00	1,000.00
	10,400.00	10,400.00
b) Issued, subscribed and fully paid-up		
18,677,749 (March 31, 2019: 18,677,749) equity shares of Rs. 10 each fully paid-up	1,867.77	1,867.77
Less: Calls in arrears by others *	-	(0.31)
Total issued, subscribed and fully paid-up share capital	1,867.77	1,867.46

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

	As at March 31, 2020		As at March 31, 2019	
	Number of shares	Amount Rs./Lakhs	Number of shares	Amount Rs./Lakhs
Equity shares				
At the commencement of the year	18,677,749	1,867.77	18,677,749	1,867.77
Add: Shares allotted during the year (Refer note 42)	-	-	9,030,495	903.05
Less: Shares cancelled during the year (Refer note 42)	-	-	9,030,495	903.05
At the end of the year	18,677,749	1,867.77	18,677,749	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 shares held by shareholders holding more than 5% of the aggregate shares in the Company:

	As at March 31, 2020		As at March 31, 2019	
	Number of shares	% of holding	Number of shares	% of holding
Dr. Vinay Bharat Ram	-	-	9,043,126	48.42%
Sumant Bharat Ram	9,056,932	48.49%	-	-
Life Insurance Corporation of India	1,132,850	6.07%	1,148,512	6.15%

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

Issued, subscribed and fully paid up shares includes 1,298,712 equity shares issued during the financial year ended 2016-17 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.

* Calls in arrears of Rs. 0.31 lakhs written off during the implementation of Scheme of Arrangement of demerger of DCM Nouvelle Limited as part of Scheme.

Notes to the Standalone financial statements for the year ended March 31, 2020 continued

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
18. Other equity		
Securities premium		
Balance as at the beginning of the year	7,367.00	7,367.00
Less: Transfer to demerged entity DCM Nouvelle Limited (Refer note 41)	6,305.81	-
Balance as at the end of the year	<u>1,061.19</u>	<u>7,367.00</u>
Capital reserve		
Balance as at the beginning of the year	25.40	24.90
Transferred from Crescita enterprises Private Limited on amalgamation (Refer note 42)	-	1,723.18
Adjustment on cancellation of shares acquired on amalgamation (Refer note 42)	-	(1,722.68)
Balance as at the end of the year	25.40	25.40
Capital redemption reserve		
Balance as at the beginning and end of the year	130.10	130.10
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	10,069.69	9,841.97
Add/ less : Transfer of Debit Balance of profit and loss from Crescita enterprises Private Limited on amalgamation (Refer note 42)	-	(0.07)
Less: Transfer to demerged entity DCM Nouvelle Limited (Refer note 41)	(8,624.50)	-
Add: Profit/ (loss) for the year	(3,073.77)	199.63
Items of other comprehensive income/ (expense) recognised directly in retained earnings		
Remeasurement gain/(loss) of post employment benefit obligation (net of tax)	(35.54)	(16.26)
Exchange gain/ (loss) in translating financial statements of foreign operations (net of tax)	-	44.42
Balance as at the end of the year	<u>(1,664.12)</u>	<u>10,069.69</u>
Total	<u>(447.43)</u>	<u>17,592.19</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 Company. The assets against the said grant have been fully depreciated.

Notes to the Standalone financial statements for the year ended March 31, 2020 continued

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
19. Non-current borrowings		
Secured		
Term loans		
From banks	626.14	7,707.44
From others	-	1,995.70
	<u>626.14</u>	<u>9,703.14</u>
Less: Current maturities on non-current borrowings	533.72	3,709.14
Total non-current borrowings	<u>92.42</u>	<u>5,994.00</u>

Change in liability arising from financing activities

(Rupees in lakhs)

Particulars	Opening	Cash flows	Non-cash changes			Closing
			Acquisition	Foreign exchange movement	Fair value changes	
Non-current borrowing						
2019-20	9,703.14	(3,134.82)	(5,953.13)	-	10.95	626.14
2018-19	11,964.66	(2,280.48)	-	-	18.96	9,703.14

Repayment terms and security disclosure for the outstanding borrowings (refer note 58):

Secured :-

From banks:

- Term loans aggregating Rs. Nil (March 31, 2019: Rs. 5,894.92 lakhs) was secured by first charge alongwith the charge created for availing cash credit, overdraft and working capital demand loan facilities described in note 22, on existing as well as future block of movable assets and an equitable mortgage by deposit of title deeds of land admeasuring 129.47 acres and all the immovable assets, both present and future, pertaining to the Textile Division at Hisar. The term loan has been transferred to DCM Nouvelle Limited pursuant to Scheme of Demerger of Textile Business w.e.f. 01.04.2019 as approved by NCLT. (refer note 41 (a))
- Rs. 184.28 lakhs (March 31, 2019: Rs. 424.33 lakhs) secured by way of first pari passu charge on the fixed assets 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 is availed from State bank of India and carries a floating interest rate ranging between 12.20%- 13.00% per annum. The repayment of instalment aggregating to Rs. 184.28 lakhs and interest of Rs 9.17 lakhs remained in default as on 31.03.2020 pertaining to the period from October 1, 2019 to March 31, 2020. This does not include the amount of delay/default in repayment of instalment/interest during the year which was not regularized on or before 31.03.2020.
- Rs. 200.00 lakhs (March 31, 2019: Rs. 798.04 lakhs) secured by way of first pari passu charge on the fixed assets 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 is availed from ICICI bank and carries a floating interest rate 11.75% -12.35% per annum. The repayment of instalment aggregating to Rs. 200.00 lakhs and interest of Rs 6.84 lakhs remained in default as on 31.03.2020 pertaining to the period from January 19, 2020 to March 31, 2020. This does not include the amount of delay/default in repayment of instalment/interest during the year which was not regularized on or before 31.03.2020.
- Rs. 185.11 lakhs (March 31, 2019: Rs. 448.51 lakhs) secured by way of first pari passu charge on the fixed assets (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 is availed from HDFC bank and carries a floating interest rate @ 11.80% per annum and is repayable in 33 monthly instalments.
- Rs. 56.75 lakhs (March 31, 2019: Rs. 141.64 lakhs) 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 installments. The loans are availed from banking and financial institutions and carry an interest rate ranging between 9.50%-13.50% per annum.

Notes to the Standalone financial statements for the year ended March 31, 2020 continued

From others:

Secured :

- (a) Rs. Nil (March 31, 2019: Rs. 2.63 lakhs) relate to assets purchased under hire purchase/financing arrangements and are secured by way of hypothecation of the specified assets. Repayable in equal monthly installments. The loans carry an interest rate ranging between 9.50%-13.50% per annum.
- (b) Rs. Nil (March 31, 2019: Rs. 1,993.07 lakhs) secured by way of extensions of pledge of 100% equity shares of Teak Farms Private Limited (TFPC) and 100% equity shares of Juhi Developers Private Limited (enterprises over which Key Managerial Personnel have significant influence) and pledged of 50 lakhs equity shares of DCM Limited held by Dr. Vinay Bharat Ram – Chairman & Managing Director (Managing Director upto September 30, 2019)
- The Company's exposure to interest, currency and liquidity risks related to financial liabilities is disclosed in Note 53.

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
20. Other non-current financial liabilities		
Security deposits	-	8.10
Other deposits	0.73	118.74
Lease liability	21.72	-
Others	527.44	527.44
Total	549.89	654.28

The Company's exposure to interest, currency and liquidity risks related to financial liabilities is disclosed in Note 53.

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
21. Non-current provisions		
Provision for employee benefits (Refer note 48)		
- Gratuity	793.94	1,501.66
- Compensated absences	66.36	430.96
Total	860.30	1,932.62

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
22. Current borrowings		
Secured		
Loans repayable on demand from banks	2,239.00	12,925.60
Unsecured		
Payable to bank	-	2,100.00
Payable to others	-	211.35
Total	2,239.00	15,236.95

Change in liability arising from financing activities

(Rupees in lakhs)

Particulars	Opening	Cash flows	Non-cash changes			Closing
			Acquisition / (Transfer)	Foreign exchange movement	Fair value changes	
Current borrowing						
2019-20	15,236.95	(1,248.92)	(11,749.03)	-	-	2,239.00
2018-19	16,948.81	(1,711.86)	-	-	-	15,236.95

Notes to the Standalone financial statements for the year ended March 31, 2020 continued

Security against loans repayable on demand

- i) Cash credit/overdraft and working capital demand loan facilities aggregating to Rs. Nil (March 31, 2019: Rs. 9,576.86 lakhs) relating to Textile Division at Hisar are secured by way of:
- hypothecation of stocks / stores and book debts, both present and future.
 - further secured by equitable mortgage of land admeasuring 129.47 acres and all immovable assets, both present and future, and first charge, ranking pari-passu with the charge created for availing term loans as described in note 19, by way of hypothecation of existing as well as future block of movable assets pertaining to the Division.
The above cash credits/ overdraft facilities pertaining to the textile business has been transferred to DCM Nouvelle Limited pursuant to Scheme of Demerger of Textile Business w.e.f. 01.04.2019 as approved by NCLT. (Refer note 41 (a))
- ii) Cash credit facilities aggregating to Rs. Nil (March 31, 2019: Rs. 72.17 lakhs) relating to IT Division from a bank are secured by way of:
- first charge/hypothecation of inventories, book debts and other assets of the Division (both present and future), and by way of first charge on office property at Hyderabad.
The above cash credits facilities pertaining to the IT Division has been transferred to its wholly owned subsidiary namely DCM Infotech Limited under a business purchase agreement on slump sale basis during the year. (refer note 41 (b))
- iii) Cash credit and working capital demand loans facilities aggregating to Rs. 1,348.20 lakhs (March 31, 2019: Rs. 2,378.01 lakhs) 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 fixed 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 machinery, 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 facilities, availed from State bank of India and ICICI bank, and were overdrawn by Rs. 537.88 lakhs (including interest) as on balance sheet date. The above accounts are overdrawn since September 2019.
- iv) Overdraft facility of Rs. 890.80 lakhs (March 31, 2019: Rs. 898.56 lakhs), 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 measuring 39.02 acres (March 31 2019: 39.02 acres) and land and building located in Rail Mazra Village, Tehsil Balachaur, District Shaheed Bhagat Singh Nagar, Punjab measuring 3.79 acres. (March 31 2019: 4.02 acres) (refer note 51)
- v) The above facilities carries interest rate ranging between 11.55% - 14.15%

Unsecured

Payable to bank

- Rs. Nil (March 2019 : Rs. 2100.00 lakhs) working capital demand loan was secured by secondary collateral of PDC of Rs. 3000.00 lakhs in the previous year.

Payable to others

- Rs. Nil (March 2019 : Rs. 211.35 lakhs) payable against bills discounted against receivables from customers
The Company's exposure to interest, currency and liquidity risks related to financial liabilities is disclosed in Note 53.

23. Financial liabilities- Trade payables

Trade payables

- Dues to micro and small enterprises **
Dues to others*

Total

The Company's exposure to currency and liquidity risks related to financial liabilities is disclosed in Note 53.

* Include balance due to related party Rs 42.23 lakhs (March 31, 2019 Rs Nil) (refer note 49)

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

Particulars

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
(a) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the year- Principal includes Rs. Nil (March 31 2019 Rs 2.2 lakhs) payable to creditor of capital goods - refer note 24)	1,759.47	2,087.71
(b) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the year- Interest	286.08	-
(c) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, during each accounting year	-	-
(d) The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
(e) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under Micro Small and Medium Enterprises Development Act, 2006.	-	-
(f) The amount of interest accrued and remaining unpaid at the end of each accounting year.	286.08	32.19
(g) The amount of further interest remaining due and payable even in the succeeding periods, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the Micro Small and Medium Enterprises Development Act, 2006.	286.08	-

Notes to the Standalone financial statements for the year ended March 31, 2020 continued

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
24. Other current financial liabilities		
Current maturities of non-current borrowings (refer note 19)		
Secured		
From banks	533.72	2,706.51
From others	-	1,002.63
	<u>533.72</u>	<u>3,709.14</u>
Unclaimed dividends*	56.17	79.81
Unclaimed matured deposits and interest accrued thereon *	1.05	1.05
Unclaimed matured debentures and interest accrued thereon *	5.52	8.11
Security deposits received	8.16	10.95
Interest accrued but not due on borrowings	47.66	99.24
Employee related payable	1,142.97	1,710.24
Liability for capital goods		
Payable to micro and small enterprises **	-	2.27
Payable to others	-	118.88
Total	<u>1,795.25</u>	<u>5,739.69</u>
* No amount is due for transfer under Investor Education and Protection Fund in view of SORA, pursuant to which certain past dues have been rescheduled for payment.		
** (Refer note 23)		
The Company's exposure to currency and liquidity risks related to financial liabilities is disclosed in Note 53.		
	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
25. Other current liabilities		
Advance from customers	146.16	441.59
Statutory dues payables	17.90	769.52
Other payables	154.39	141.63
Total	<u>318.45</u>	<u>1,352.74</u>
	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
26. Current provisions		
Provision for employee benefits		
- Gratuity (Refer note 48)	145.05	336.35
- Compensated absences	4.69	53.54
Total	<u>149.74</u>	<u>389.89</u>
	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
27. Current tax liabilities (net)		
Provision for income tax [net of advance tax Rs. 995.95 lakhs (March 31, 2019: Rs. 1053.43 lakhs)]	94.05	125.07
Total	<u>94.05</u>	<u>125.07</u>

Notes to the Standalone financial statements for the year ended March 31, 2020 continued

	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
28. Revenue from operations		
Sale of products		
Manufactured goods		
Iron castings	12,643.70	38,554.58
Patterns, jigs and fixtures	72.27	162.05
Sale of product license	-	-
Sale of services	-	-
	<u>12,715.97</u>	<u>38,716.63</u>
Other operating revenue		
Waste sales	174.04	158.99
	<u>174.04</u>	<u>158.99</u>
Total	<u>12,890.01</u>	<u>38,875.62</u>
Contract Balances	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
Trade receivable	70.34	9,823.05
Unbilled revenue	-	60.81
Reconciliation of revenue recognised with the contracted price is as follows:		
	For the year ended March 31, 2020	For the year ended March 31, 2019
Contracted price	12,941.30	39,024.66
Reductions towards variable consideration components	(51.29)	(149.04)
Revenue recognised	<u>12,890.01</u>	<u>38,875.62</u>
Discontinued operations		
Contracted price	2,199.31	71,311.10
Reductions towards variable consideration components	-	(182.64)
Revenue recognised	<u>2,199.31</u>	<u>71,128.46</u>
	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
29. Other income		
Interest income on financial assets at amortised cost		
- Deposits with others	1.41	4.54
- Other interest income	70.82	104.95
Net gain on foreign currency transactions	1.29	7.89
Profit on sale of property, plant and equipment (net)	2,435.37	2.51
Liabilities/provisions no longer required written back	9.23	159.75
Provision for doubtful trade receivables written back	6.76	-
Finance lease income	11.67	17.02
Miscellaneous income *	75.23	11.30
Total	<u>2,611.78</u>	<u>307.96</u>
* include transactions with related party		

Notes to the Standalone financial statements for the year ended March 31, 2020 continued

	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
30. Cost of material consumed		
Opening stock	321.25	366.70
Add: Purchases	3,878.29	16,493.99
	<u>4,199.54</u>	<u>16,860.69</u>
Less: Closing stock	154.82	321.25
	<u>4,044.72</u>	<u>16,539.44</u>
	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
31. Changes in inventories of finished goods and work-in-progress		
<u>Inventories at the end of the year:</u>		
Finished goods	-	905.39
Work-in-progress	91.90	1,707.40
Total	<u>91.90</u>	<u>2,612.79</u>
<u>Inventories at the beginning of the year:</u>		
Finished goods	905.39	-
Work-in-progress	1,707.40	1,037.80
Total	<u>2,612.79</u>	<u>1,037.80</u>
Net (increase)/decrease	<u>2,520.89</u>	<u>(1,574.99)</u>
	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
32. Employee benefits expense		
Salaries, bonus and other allowances	2,996.34	6,810.80
Contribution to provident and other funds	174.51	282.73
Gratuity expense (refer note 48)	146.75	174.73
Staff welfare expenses	110.58	244.57
Total	<u>3,428.18</u>	<u>7,512.83</u>
	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
33. Finance costs		
Interest expense on :		
Borrowings	1,004.08	996.00
Lease Liabilities (refer note 4)	3.15	-
Others	3.40	19.00
Other borrowing costs	61.27	293.35
Total	<u>1,071.90</u>	<u>1,308.35</u>

Notes to the Standalone financial statements for the year ended March 31, 2020 continued

	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
34. Depreciation and amortisation expense		
Depreciation on property, plant and equipment	1,149.09	1,698.53
Amortisation of intangible assets	18.05	19.99
Amortisation of right to use asset (refer note 4)	9.99	-
Total	1,177.13	1,718.52
	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
35. Other expenses		
Consumption of stores and spare parts	2,250.19	7,442.03
Power, fuel, etc.	2,309.42	6,532.03
Rent (refer note 38)	13.58	27.17
Repair and maintenance		
- Buildings	9.75	44.20
- Machinery	316.70	1,063.88
- others	67.19	101.88
Subcontracting charges ^	295.94	988.01
Freight and forwarding	271.46	739.15
Insurance	46.79	42.55
Rates and taxes	403.63	6.82
Directors' fees	16.90	16.20
Legal and professional fees (refer note (i) below)	210.46	244.95
Travelling and conveyance	124.18	247.10
Inventory store and spares written off	-	292.89
Expenditure on corporate social responsibility (Refer note 52)	-	12.17
Allowance for bad trade and other receivables, loans and advances	-	22.34
Bad trade and other receivables, loans and advances written off	13.05	113.44
Less: Provision already held	- 13.05	(54.97)
Loss on finance lease written off	5.75	14.24
Miscellaneous expenses	178.11	321.87
Total	6,533.10	18,217.95
(i) Includes auditors remuneration (excluding taxes)		
For audits and limited reviews	18.50	46.50
For certification and other services	-	0.25
for reimbursement of expenses	3.62	3.70
Total	22.12	50.45

^ Includes freight, transportation expense Rs 63.23 lakhs (Previous year Rs 227.14 lakhs) incurred on materials sent to and received back from sub-contractors.

36. Tax expense

(Rupees in lakhs)

(a) Amounts recognised in profit and loss

	For the year ended March 31, 2019	For the year ended March 31, 2018
Tax on continued business		
Current tax (a)		
Current tax for the year	-	-
Adjustment for current tax of prior years	(56.29)	-
	<u>(56.29)</u>	<u>-</u>
Deferred tax expense/ (credit) (b)	-	-
Tax expense for the year	<u><u>(56.29)</u></u>	<u><u>-</u></u>
Tax on discontinued business		
Current tax for the year	-	80.55
	<u><u>-</u></u>	<u><u>80.55</u></u>

(b) Amounts recognised in other comprehensive income/(expense)

	For the year ended March 31, 2020		
	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit obligations	(35.54)	-	(35.54)
Exchange difference in translating financial statements of foreign operations	-	-	-
	<u>(35.54)</u>	<u>-</u>	<u>(35.54)</u>
	For the year ended March 31, 2019		
	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit obligations	(20.47)	(4.21)	(16.26)
Exchange difference in translating financial statements of foreign operations	55.93	11.51	44.42
	<u>35.46</u>	<u>7.30</u>	<u>28.16</u>

- (c) As at March 31, 2020, 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 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)	
	As at March 31, 2020	As at March 31, 2019
Property, plant and equipment	(10.45)	-
Provision for gratuity and compensated absences	(294.13)	(724.63)
Unabsorbed depreciation	(2,860.81)	(2,849.46)
Business loss	(955.53)	-
Provision for trade receivables and other advances	(0.68)	(55.70)
Other items	(79.53)	(112.55)
Deferred tax (assets)	<u><u>(4,201.13)</u></u>	<u><u>(3,742.34)</u></u>

(Rupees in lakhs)

	Deferred tax liabilities	
	As at March 31, 2020	As at March 31, 2019
Property, plant and equipment	-	522.14
Provision for gratuity and compensated absences	-	-
Unabsorbed depreciation	-	-
Business loss	-	-
Provision for trade receivables and other advances	-	-
Other items	-	-
Deferred tax liabilities	-	522.14

	Net deferred tax (asset) liabilities	
	As at March 31, 2020	As at March 31, 2019
Property, plant and equipment	(10.45)	522.14
Provision for gratuity and compensated absences	(294.13)	(724.63)
Unabsorbed depreciation	(2,860.81)	(2,849.46)
Business loss	(955.53)	-
Provision for trade receivables and other advances	(0.68)	(55.70)
Other items	(79.53)	(112.55)
Net deferred tax (assets) liabilities	(4,201.13)	(3,220.20)

(d) Movement in temporary differences:

	Balance as at March 31, 2018	Movement during 2018-19	Recognised in OCI during 2018-19	Balance as at March 31, 2019
Property, plant and equipment	892.92	(370.78)	-	522.14
Provision for gratuity and compensated absences	(723.88)	(0.75)	-	(724.63)
Unabsorbed depreciation	(3,305.64)	456.18	-	(2,849.46)
Business loss	(117.94)	117.94	-	-
Provision for trade receivables and other advances	(24.88)	(30.82)	-	(55.70)
Other items	(160.02)	47.47	-	(112.55)
	<u>(3,439.44)</u>	<u>219.24</u>	<u>-</u>	<u>(3,220.20)</u>

	Balance as at March 31, 2019	Movement during 2019-20	Recognised in OCI during 2019-20	Balance as at March 31, 2020
Property, plant and equipment	522.14	(532.59)	-	(10.45)
Provision for gratuity and compensated absences	(724.63)	430.50	-	(294.13)
Unabsorbed depreciation	(2,849.46)	(11.35)	-	(2,860.81)
Business loss	-	(955.53)	-	(955.53)
Provision for trade receivables and other advances	(55.70)	55.02	-	(0.68)
Other items	(112.55)	33.02	-	(79.53)
	<u>(3,220.20)</u>	<u>(980.93)</u>	<u>-</u>	<u>(4,201.13)</u>

Notes to the Standalone financial statements for the year ended March 31, 2020 continued

(e) Tax losses carried forward:

(Rupees in lakhs)

(i) MAT credit recognised and carried forward as follows

	As at March 31, 2020		As at March 31, 2019	
	Amount	Expiry year	Amount	Expiry year
MAT	-	-	-	-

(ii) Tax losses for which no deferred tax asset was recognised expire as follows:

	As at March 31, 2020		As at March 31, 2019	
	Amount	Expiry year	Amount	Expiry year
Business Loss	3,281.36	AY 2028-29	-	-
Unabsorbed depreciation *	9,824.20	-	9,132.88	-

(iii) MAT credit for which no MAT credit entitlement recognised expire as follows:

MAT	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	87.85	2034-35

* available for set off against any other income and can be carried forward for indefinite period as per Income Tax Act, 1961

37. Disclosures related to government grant

The government grant/government assistance recognised are as under:

(Rupees in lakhs)

Nature of grant/assistance	Income/ expense head	For the year ended March 31, 2020	For the year ended March 31, 2019
Benefit of interest expense at concessional rate	Interest income under Other income	-	118.27
Duty drawback on exports	Income under other operating income	-	571.33

There are no unfulfilled conditions and other contingencies attaching to government assistance that has been recognised in Statement of Profit and loss.

38. Leases

Operating leases

The Company's significant operating lease arrangements are in respect of premises for residential use of employees, office, stores, godown, etc. for a period of ranging from 1-5 years. These leasing arrangements, which are cancellable, are renewable at mutually agreeable terms. During the current year Company has applied Ind AS-116, refer detail disclosure in note - 4.

Future aggregate minimum lease payments under non-cancellable operating lease are as follows:

(Rupees in lakhs)

	As at March 31, 2019
Not later than one year	77.40
Later than one year and not later than five years	168.99
Later than five years	-
Total	246.39

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.

Notes to the Standalone financial statements for the year ended March 31, 2020 continued

(Rupees in lakhs)

	As at March 31, 2020		As at March 31, 2019	
	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
Not later than one year	88.58	81.94	88.57	76.90
Later than one year and not later than five years	60.57	58.66	149.15	140.60
Later than five years	-	-	-	-
Total minimum lease payments	149.15	140.60	237.72	217.50
Less: amounts representing unearned finance income	8.55	-	20.22	-
Present value of minimum lease payments	140.60	140.60	217.50	217.50

39. Earnings per share

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Net profit/(loss) from continuing operations attributable to equity shareholders (Rs. In lakhs)	(3,217.84)	(4,538.52)
Net profit/(loss) from discontinued operations attributable to equity shareholders (Rs. In lakhs)	144.07	4,738.15
Weighted average number of equity shares in calculating Basic EPS	18,677,749	18,677,749
Weighted average number of equity shares in calculating Diluted EPS	18,677,749	18,677,749
Basic and Diluted earning per share from continuing operations in rupees (face value per equity share Rs. 10 each) (Rs.)	(17.23)	(24.30)
Basic and Diluted earning per share from discontinued operations in rupees (face value per equity share Rs. 10 each) (Rs.)	0.77	25.37
Basic and Diluted earning per share in rupees (face value per equity share Rs. 10 each) (Rs.)	(16.46)	1.07

40. 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. 6.57 lakhs (March 31, 2019: Rs. 9.16 lakhs).

41. Amalgamation and demerger

- a) The Board of Directors of the Company in its meeting held on October 15, 2016 approved a Scheme of Arrangement ('the Scheme') between DCM Limited (transferor company) and DCM Nouvelle Limited (resulting company), a wholly owned subsidiary of DCM Limited, for the demerger of the Textile business of DCM Limited as per the scheme and vesting of the same with DCM Nouvelle Limited, on a going concern basis. The aforesaid Scheme was subject to approval from the concerned regulatory authorities which were not perfunctory and considered to be substantive.

During the financial year 2019 -20, the Company has received the order from the National Company Law Tribunal (NCLT) on May 1, 2019 sanctioning the Scheme with the appointed date of April 1, 2019. Accordingly, the impact of the Scheme has been considered in these standalone financial statements. The scheme has become effective on May 13, 2019 on Company filing the NCLT order with Registrar of Companies. As per Scheme, Company has transferred net assets of Rs. 14,925.00 lakhs to the DCM Nouvelle Limited and which has resulting in reduction in securities premium account by Rs. 6,205.81 lakhs and surplus in statement of profit and loss adjusted by Rs. 8,619.19 lakhs. Surplus in statement of profit and loss is further adjusted by cancellation of investment in DCM Nouvelle Limited by Rs. 5.00 lakhs and Calls in arrears by Rs. 0.31 lakhs. The Sale consideration is discharged by Resulting Company namely DCM Nouvelle Limited by issuing 1 share of DCM Nouvelle Limited against the 1 share of DCM Limited to the shareholder of DCM Limited.

Consequently, the audited financial statements of the Company exclude the Textile Division and is disclosed as discontinued operations. Break up of discontinued operations is as under:

DCM

Notes to the Standalone financial statements for the year ended March 31, 2020 continued

i.	Details of assets and liabilities of discontinued operations	(Rupees in lakhs)
	Particulars	As at April 01, 2019
	Net Asset Transferred	
	Non-current assets	9,947.46
	Current Asset	25,810.89
	Total assets transferred (A)	35,758.35
	Non-current Liabilities	5,368.10
	Current Liabilities	15,465.25
	Total Liabilities transferred (B)	20,833.35
	Net Asset Transferred (A - B)	14,925.00
	Sales consideration	
	Issuance of equity share to shareholders of DCM limited by resulting company of face	14,925.00

ii.	Details of income and expense of discontinued operations	
	Particulars	For the year ended on March 31, 2019
	Total Income	67,538.61
	Total Expenses	62,897.86
	Profit before tax	4,640.75
	Profit after tax	4,560.70
	Other comprehensive income	(47.06)
	Total comprehensive income	4,513.64
	Earning per share (Face value Rs. 10 per share)	24.43

iii. Cash flow of discontinued operations are as under:	
Particulars	For the year ended on March 31, 2019
Cash flow from operating activities	6,185.81
Cash flow from investing activities	(1,162.74)
Cash flow from financing activities	(4,027.57)
Net cash flows [increase/(decrease)] during the year (1+2+3)	995.50

- b) Pursuant to the Board of Directors decision on September 16, 2019, the Company had entered into a Business Purchase Agreement ("BPA") on September 15, 2019 and addendums thereto to sell by way of slump sale its DCM Data System ("the Business") as a going concern to DCM Infotech Limited (resulting company), a wholly owned subsidiary of the DCM Limited.

In accordance with the BPA the following major categories of assets and liabilities were transferred at book value to DCM Infotech Limited with effect from the close of business on September 15, 2019, being the date of transfer of control and net consideration is cash settled by resulting company to DCM Limited.

i.	Details of assets and liabilities of discontinued operations	
	Particulars	As at September 15, 2019
	Non-current assets	386.33
	Current Asset	1,170.09
	Total Asset (A)	1,556.42
	Non-current liabilities	416.22
	Current liabilities	339.39
	Total Liabilities (B)	755.61
	Payable to DCM Limited	800.81

ii. Details of income and expense of discontinued operations	(Rupees in lakhs)	
Particulars	For the year ended on September 15, 2019	For the year ended on March 31, 2019
Total Income	4,411.95	2,228.97
Total Expenses	4,234.81	2,100.81
Profit before tax	177.14	128.15
Profit after tax	177.14	144.07
Other comprehensive income	60.77	0.00
Total comprehensive income	237.92	144.07
Earning per share (Face value Rs. 10 per share)	0.95	0.77

iii. Cash flow of discontinued operations are as under:

Particulars	For the year ended on September 15, 2019	For the year ended on March 31, 2019
Cash flow from operating activities	37.48	239.02
Cash flow from investing activities	(8.21)	47.49
Cash flow from financing activities	(140.74)	(654.27)
Net cash flows [increase/(decrease)] during the year (1+2+3)	(111.47)	(367.77)

- c) 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 above Scheme has been filed with stock exchanges for seeking their no-objection. The Company has received observation letter from the Stock Exchanges enabling the Company to file the Scheme with H'ble National Company Law Tribunal for seeking their approval. Copy of the scheme is available on the Company's website.

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.

42. In accordance with the Scheme of Amalgamation of Crescita Enterprises Private Limited ('the Transferor company') with the Company, as sanctioned by the National Company Law Tribunal vide its order dated January 08, 2019 which became effective on January 30, 2019 on filing of the certified copy of the order with the Registrar of Companies, the assets and liabilities of the transferor company were transferred to and vested in the Company with effect from the appointed date of March 31, 2017. Consequently 48.35% shares of the Company which were held by the Transferor Company have been cancelled and the Company has issued and allotted same number of equity shares to the shareholders of the Transferor Company in proportion to the shares held by them in the Transferor Company at record date. The impact of this scheme on the audited standalone financial statements for the year is given below:

Assets taken over	(Rupees in lakhs)
Investment in equity shares of DCM Limited	1,723.18
Cash and cash equivalents	0.37
Advance Income tax	0.71
Total assets	1,724.26
Liabilities and reserves taken over	
Provision for tax	0.65
Capital reserve (refer note 18)	1,723.18
Profit and loss (Dr. balance)	(0.07)
	1,723.76
Adjustment in other equity	
Transfer of capital reserve in the scheme of Amalgamation	1,723.18
Less: Adjustment on cancellation of investment in shares of the Company acquired in the scheme of Amalgamation	(820.13)
Less: Adjustment on issuance of new equity shares to the shareholders of Crescita Enterprises Private Limited	(902.55)
Remaining Balance of capital reserve transferred in the scheme of Amalgamation	0.50
Net assets acquired in the scheme of amalgamation	0.43
Debit balance of Profit and loss adjusted in surplus in Statement of Profit and Loss	0.07
	0.50

Notes to the Standalone financial statements for the year ended March 31, 2020 continued

43. The Company has set up a solar power plant at its textile division at Hisar with a cost of Rs. 471.60 lakhs during the year ended March 31, 2017. Further an addition of Rs. Nil (March 2019 : Rs. 368.21 lakhs) have been made during the year. A term loan of Rs. 325 lakhs is taken for this purpose in earlier years. The Company was eligible for tax holiday under section 80IA up to 2030-31 (to claim deduction in any 10 consecutive assessment year out of 15 year starting from the year in which operation begins).

However Company has demerged its textile division w.e.f. April 01, 2019. Hence this power plant along with its eligibility of tax holiday transferred to DCM Nouvelle Limited as stated in note 41 (a).

44. Capital advances includes Rs. 420.00 lakhs (March 31, 2019: Rs. 870.00 lakhs) 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 year, Company has received back advance of Rs. 450.00 lakhs as decided in the arbitration proceedings during the year and the management is fully confident that the remaining balance paid to acquire the property is good and fully recoverable.
45. In the previous years, Company's claim for the refund of an Inter Corporate Deposit amounting to Rs. 100 lakhs against a body corporate was settled by the body corporate by issuing, in terms of an arbitration award, 0% non-cumulative, non-voting, redeemable preference shares of Rs. 100 each to the Company, redeemable within 20 years. The management is confident that the investment (Face value Rs. 74.82 lakhs at March 31, 2020 and Rs. 84.82 lakhs at March 31, 2019) acquired by the Company in preference shares of the body corporate is good and fully recoverable. The Company has already received Rs. 20.00 lakhs in the current year and balance Rs. 80.00 Lakhs to be received in October 2020.

46. 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:

Reportable segments	Operations
Textiles	Yarn manufacturing
IT services	IT Infrastructure services
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.

(Rupees in lakhs)

Particulars	Reportable Segment				Unallocated		Continuing operations		Discontinued operations (refer note 41)				DCM Limited	
	Real Estate		Grey iron casting		Unallocated		Total		Textile		IT Services		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Segment revenue														
- External revenues	-	-	12,715.97	38,716.63	-	-	12,715.97	38,716.63	-	61,680.77	2,199.31	4,378.83	14,915.28	104,776.23
- Other operating revenue	-	-	174.04	158.99	-	-	174.04	158.99	-	5,068.86	-	-	174.04	5,227.85
Total segment revenue	-	-	12,890.01	38,875.62	-	-	12,890.01	38,875.62	-	66,749.63	2,199.31	4,378.83	15,089.32	110,004.08
Segment profit/(loss) before tax	-	-	(3,672.88)	(1,841.17)	-	-	(3,672.88)	(1,841.17)	-	5,295.53	144.07	148.10	(3,528.81)	3,602.46
Unallocated corporate expenses/ income (net of unallocated income/ expenses)	-	-	-	-	1,398.42	(849.29)	1,398.42	(849.29)	-	-	-	-	1,398.42	(849.29)
Interest income	-	-	-	-	72.23	282.21	72.23	282.21	-	-	-	-	72.23	282.21
Profit before finance costs and tax	-	-	-	-	-	-	(2,202.23)	(2,408.25)	-	-	-	-	(2,058.16)	3,035.38
Finance costs	-	-	-	-	1,071.90	2,755.20	1,071.90	2,755.20	-	-	-	-	1,071.90	2,755.20
Profit/(loss) before tax	-	-	-	-	-	-	(3,274.13)	(5,163.45)	-	-	-	-	(3,130.06)	280.18
Provision for taxation	-	-	-	-	(56.29)	80.55	(56.29)	80.55	-	-	-	-	(56.29)	80.55
Profit/(loss) after taxation	-	-	-	-	-	-	(3,217.84)	(5,244.00)	-	-	-	-	(3,073.77)	199.63
Depreciation and amortization	-	-	1,138.97	1,670.74	38.16	47.78	1,177.13	1,718.52	-	1,700.72	-	24.58	1,177.13	3,443.82
Capital expenditure during the year	-	-	23.54	331.74	30.97	31.64	54.51	363.38	-	520.35	12.07	38.58	66.58	922.31
Non cash expense other than depreciation	-	-	0.06	337.15	18.74	53.98	18.80	391.13	-	89.69	-	6.33	18.80	487.15

Notes to the Standalone financial statements for the year ended March 31, 2020 continued

(Rupees in lakhs)

Particulars	Reportable Segment				Unallocated		Continuing operations		Discontinued operations (refer note 41)				DCM Limited	
	Real Estate		Grey iron casting		Unallocated		Total		Textile		IT Services		Total	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Segment assets	12.00	25.00	7,143.69	14,043.23	-	-	7,155.69	14,068.23	-	35,758.35	-	2,092.39	7,155.69	51,918.97
Assets held for sale	-	-	207.55	212.53	-	-	207.55	212.53	-	-	-	-	207.55	212.53
Unallocated assets	-	-	-	-	5,718.56	6,765.54	5,718.56	6,765.54	-	-	-	-	5,718.56	6,765.54
Total assets	12.00	25.00	7,351.24	14,255.76	5,718.56	6,765.54	13,081.80	21,046.30	-	35,758.35	-	2,092.39	13,081.80	58,897.04
Segment liabilities	23.32	23.62	7,837.97	9,592.12	935.54	1,160.66	8,796.83	10,776.40	-	3,225.57	-	495.33	8,796.83	14,497.30
Share capital and reserves	-	-	-	-	1,420.34	19,459.65	1,420.34	19,459.65	-	-	-	-	1,420.34	19,459.65
Loan funds	-	-	2,809.39	5,161.40	55.24	2,076.53	2,864.63	7,237.93	-	17,607.78	-	94.38	2,864.63	24,940.09
Total liabilities	23.32	23.62	10,647.36	14,753.52	2,411.12	22,696.84	13,081.80	37,473.98	-	20,833.35	-	589.71	13,081.80	58,897.04

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 lakhs)

	For the year ended March 31, 2020	For the year ended March 31, 2019
India (a)	13,951.40	65,240.47
- Continuing operation	12,890.01	38,875.62
- Discontinued operation	1,061.39	26,364.85
Outside India (b)	1,137.92	44,763.61
- Continuing operation	-	-
- Discontinued operation	-	-
China	-	26,786.58
Other countries	1,137.92	17,977.03
Total (a+b)	15,089.32	110,004.08

ii. Non current assets*

(Rupees in lakhs)

	As At March 31, 2020	As At March 31, 2019
India	6,880.02	19,271.53
Outside India	-	4.21
Total	6,880.02	19,275.74

* 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, 2020 and March 31, 2019.

47. Contingent liabilities, contingent assets and commitments

a) Commitments

(Rupees in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Capital commitments	25.08	1,209.65

DCM

b) Contingent liabilities not provided for:

(Rupees in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Claims not acknowledged as debts: *		
- Excise claims	0.50	0.50
- Sales tax matters/ VAT	495.38	495.38
- Income-tax matters	155.35	139.24
- Customs duty	-	12.55
- Employees' claims (to the extent ascertained)	64.70	59.15
- Property tax	283.67	283.67
- Others	75.95	83.03

* 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, 2020 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 lakhs)	Amount paid under protest (Rs. in lakhs)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	19.54	-	Financial Year 2016-17	CIT (Appeals)
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 2010-11	
		130.25	35.09	Financial Year 2009-10	

* 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 which have been excluded from the above table 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 lakhs)	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 refers back to AO
		66.08	Financial Year 2011-12	High court
		51.37	Financial Year 2012-13	Income tax appellate tribunal
		48.33	Financial Year 2013-14	Income tax appellate tribunal
		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.

48. Employee benefits

A Defined contribution plans

Contributions to defined contribution plans charged off for the year are as under:

(Rupees in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Company's contribution to provident fund	145.64	205.77
Company's contribution to superannuation fund	7.49	31.46
Company's contribution to employees' state insurance	21.38	45.50
Company's contribution to social security	-	-
Company's contribution to NPS	-	-
Sub-total	174.51	282.73
Company's contribution (discontinued operations) (refer note 41 (a) and (b))	84.38	472.99
Total	258.89	755.72

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 lakhs)

Particulars	As at March 31, 2020	As at April 1, 2019
Defined benefit liability- Gratuity	938.99	1,838.01
Total employee benefit liabilities		
Non current	793.94	1,501.66
Current	145.05	336.35
Total	938.99	1,838.01

For details about the related employee benefit expenses, refer note 32.

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 lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Balance at the beginning of the year	1,838.01	1,859.82
Current service cost	49.21	132.79
Interest cost	97.54	139.49
Actuarial (gains)/ losses recognised in other comprehensive income/(expense)	35.54	20.47
Benefits paid	(395.92)	(314.56)
Transfer of liabilities under scheme/ slump sale	(685.39)	-
Balance at the end of the year	938.99	1,838.01
Non-current	793.94	1,501.66
Current	145.05	336.35

ii) *Expense recognized in profit and loss*

(Rupees in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019*
Current service cost	49.21	132.79
Interest cost	97.54	139.49
Net cost	146.75	272.28

* Includes current service cost, interest cost and actuarial gain/(loss) pertains to discontinuing operations

iii) *Remeasurements recognized in other comprehensive income/(expense)*

(Rupees in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019*
Actuarial gain/(loss) on defined benefit obligation	(35.54)	(20.47)
	(35.54)	(20.47)

* Includes current service cost, interest cost and actuarial gain/(loss) pertains to discontinuing operations

iv) *Actuarial assumptions*

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

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assumptions		
Discount rate	6.79%	7.50%
Future salary growth	6.00%	6.00%
Retirement age	58/60 years	58/60 years
Mortality table	IALM (2012-14)	IALM (2006-08) ultimate
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, 2020, the weighted average duration of the defined benefit obligation was 11.95 - 12.60 year (March 31, 2019 : 11.96-19.51 year)

Expected contributions to post-employment benefit plans for the year ending March 31, 2020 are Rs. 115.58 lakhs.

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 lakhs)

Particulars	As as March 31, 2020		As at March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (0.50%)	(32.76)	35.19	(123.42)	133.06
Future salary growth (0.50%)	35.29	(33.15)	134.36	(125.67)

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**(Rupees in lakhs)**

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:

Particulars	As at March 31, 2020	As at March 31, 2019
Year 1	145.05	336.34
Year 2	103.22	26.48
Year 3	98.50	144.64
Year 4	78.05	137.81
Year 5	45.52	134.86
Next 6	32.42	192.81
Next to 6 years	436.23	865.07

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.

49. 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**Entity having significant control over the Company**

Crescita Enterprises Private Limited (upto March 31, 2017 i.e. appointed date - Refer note 42)

Related parties where control exists**Subsidiaries**

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

DCM Data Systems Limited

DCM Nouvelle Limited (upto March 31, 2019)

DCM Realty and Infrastructure Limited

Other related parties with whom transaction have taken place during the year**Joint controlled entity (JCE)**

Purearth Infrastructure Limited

Key management personnel and/or individuals having direct or indirect control or significant influence, and their relatives:

Dr. Vinay Bharat Ram – Chairman (Managing Director upto September 30, 2019)

Mr. Hemant Bharat Ram – President (Textiles) (upto April 30, 2019)

Mr. Sumant Bharat Ram – Chief Executive and Financial Officer (Upto March 31, 2019)

Mr. Jitendra Tuli –Managing Director w.e.f. October 01, 2019)

Mr. Ashwani Singhal – Chief Financial Officer (w.e.f. April 01, 2019)

Mr. Sushil Kapoor – Executive Director (Engineering Business) - (upto September 30, 2019)

Mr. Dinesh Dhiman - Executive Director (Engineering Operations)

Mr. Varun Sarin - Chief of Operation and Finance (IT Division)- (Upto September 15, 2019)

Mr. Rakesh Kumar Goel - CEO (Textile Division) - (upto March 31, 2019)

Mr. Yadvinder Goyal - Company Secretary (upto September 06, 2019)

Mr. Vimal Prasad Gupta - Company Secretary (w.e.f. October 21, 2019)

Entities where key management personnel have significant influence

Juhi Developers Private Limited

Teak Farms Private Limited

DCM Engineering Products Educational Society

DCM Nouvelle Limited (w.e.f. April 1, 2019)

Notes to the Standalone financial statements for the year ended March 31, 2020 continued

B. Transactions with related parties:

(Rupees in lakhs)

Particulars	Subsidiaries		Joint Venture		Others *	
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
Expense reimbursed (net)						
DCM Infotech Limited	-	0.05	-	-	-	-
DCM Data Systems Limited	-	0.05	-	-	-	-
DCM Engineering Limited	-	0.06	-	-	-	-
DCM Textiles Limited	-	0.06	-	-	-	-
DCM Finance and Leasing Limited	-	0.13	-	-	-	-
DCM Engineering Products Educational Society	-	-	-	-	22.35	23.59
DCM Nouvelle Limited	-	-	-	-	414.92	-
Sale of support services						
DCM Nouvelle Limited					72.90	-
Expense recovered (net)						
Purearth Infrastructure Limited	-	-	20.74	53.93	-	-
Sale Consideration received (refer note 41(b))						
DCM Infotech Limited	800.83	-	-	-	-	-
Sale of Fixed Assets						
DCM Nouvelle Limited	-	-	-	-	2,201.50	-
Purchase of Other assets						
DCM Infotech Limited	1,013.71	-	-	-	-	-
Net assets taken over as per scheme (refer note 42)						
Cresita Enterprises Private Limited	-	-	-	-	-	1,723.61
Net assets transferred as per scheme (refer note 41(a))						
DCM Nouvelle Limited	-	-	-	-	14,925.00	-

* Entities in which key management personnel have significant influence/ Entity having significant control over the Company/ Society

Transactions with key management personnel

(Rupees in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Compensation of key management personnel		
Salaries and bonus including contributions made to provident fund		
Dr. Vinay Bharat Ram	75.55	150.04
Mr. Hemant Bharat Ram	19.99	442.84
Mr. Sumant Bharat Ram	-	205.56
Mr. Sushil Kapoor	54.90	132.24
Mr. Dinesh Dhiman	40.08	37.98
Mr. Varun Sarin	31.05	66.85
Mr. Rakesh Kumar Goel	-	123.01
Mr. Yadvinder Goyal	14.35	22.58
Mr. Vimal Prasad Gupta	9.01	-
Mr. Ashwani Singhal	61.02	-
Post-employment defined benefit plan		
Gratuity		
Mr. Hemant Bharat Ram	-	15.93
Mr. Sumant Bharat Ram	-	-
Mr. Dinesh Dhiman	0.77	0.83
Mr. Varun Sarin	-	1.29
Mr. Rakesh Kumar Goel	-	17.53
Mr. Vimal Prasad Gupta	0.19	-
Mr. Yadvinder Goyal	-	0.52
Other long term defined benefit plan		
Compensated absences		
Mr. Hemant Bharat Ram	-	11.86
Mr. Sumant Bharat Ram	-	-
Mr. Dinesh Dhiman	1.03	0.32
Mr. Varun Sarin	-	0.41
Mr. Rakesh Kumar Goel	-	3.23
Mr. Vimal Prasad Gupta	0.25	-
Mr. Yadvinder Goyal	-	0.64
Total compensation paid to key management personnel	308.19	1,233.66

Balances with related parties

(Rupees in lakhs)

Particulars	Joint Venture/ Subsidiaries		Others*	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Advance given for purchase of rights in flats				
Purearth Infrastructure Limited	47.21	587.37	-	-
Guarantee taken				
Mr. Sumant Bharat Ram	-	-	-	2,000
Balances (payable)/ receivables (net)				
DCM Engineering Products Educational Society	-	-	(7.38)	(1.95)
DCM Infotech Limited	(42.12)	-	-	-
Purearth Infrastructure Limited	7.64	-	-	-
Dr. Vinay Bharat Ram	-	-	-	(4.02)
Mr. Hemant Bharat Ram	-	-	-	(130.42)
Mr. Sumant Bharat Ram	-	-	-	(37.65)
Mr. Sushil Kapoor	-	-	(6.04)	(25.04)
Mr. Dinesh Dhiman	-	-	(5.03)	(2.69)
Mr. Varun Sarin	-	-	-	(2.75)
Mr. Rakesh Kumar Goel	-	-	-	(18.41)
Mr. Yadvinder Goyal	-	-	-	(1.43)
Mr. Vimal Prasad Gupta	-	-	-	-
Mr. Ashwani Singhal	-	-	(3.01)	-

* Entities in which key management personnel have significant influence/ Entity having significant control over the Company/ Society and KMPs

50. Research and development expenditure

Company is claiming weighted tax deductions on eligible research and development expenditure u/s 35(2AB) of the Income Tax Act, 1961 equivalent to 150% of such expenditure based on the approval received from Department of Scientific and Industrial Research (DSIR) w.e.f. May 28, 2015 and further renewed upto March 31, 2021 on June 26, 2018. The details of such expenditure are as follows:

(Rupees in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Capital expenditure		
Office equipment	-	0.73
Plant and machinery	-	-
Computers	10.50	0.10
Revenue expenditure		
Salaries, wages and compensated absences	54.98	138.39
Contribution to provident and other funds	2.01	4.28
Travelling and conveyance	2.55	4.68
Others	0.29	0.94
Development expenditure	72.12	64.74
Total	142.45	213.86

51. 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 acres (March 31, 2019 - 39.02 acres) and land and building located in Rail Mazra Village, Tehsil Balachaur, Distt Shaheed Bhagat Singh Nagar, Punjab measuring 3.79 acres (March 31, 2019 - 4.02 acres) for such consideration and on such terms and conditions as may be deemed fit in the best interest of the Company. During the year land of 0.24 acres compulsory acquired by Govt for construction of road and gain of Rs 36.60 lakhs is recognised in statement of profit & loss account under head “other income”. All the assets held for sale are pledged against the short term borrowing of the company (Refer note 22 (iv))”.

52. Corporate Social Responsibility (CSR)

(Rupees in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Gross amount required to be spent	-	-
Amount spent (in cash):		
Promotion of education	-	12.17
Others	-	-
	-	12.17

53. 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 on March 31, 2020

(Rupees in lakhs)

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Investments							
Preference shares	74.82	-	0.10	74.92	-	-	74.92
Loans *	-	-	185.26	185.26	-	-	185.26
Other financial assets *	-	-	58.66	58.66	-	-	58.66
Current							70.34
Trade receivables *	-	-	70.34	70.34	-	-	70.34
Cash and cash equivalents *	-	-	37.89	37.89	-	37.89	-
Balances other than above *	-	-	127.15	127.15	-	127.15	-
Loans *	-	-	25.58	25.58	-	-	25.58
Other financial assets *	-	-	121.84	121.84	-	-	121.84
Total	74.82	-	626.82	701.64	-	165.04	536.60
Financial liabilities							
Non-current							
Borrowings #	-	-	626.14	626.14	-	626.14	-
Other financial liabilities *	-	-	528.17	528.17	-	-	528.17
Current							
Borrowings #	-	-	2,239.00	2,239.00	-	2,239.00	-
Trade payables *	-	-	5,562.36	5,562.36	-	-	5,562.36
Other current financial liabilities *	-	-	1,261.53	1,261.53	-	-	1,261.53
Total	-	-	10,217.20	10,217.20	-	2,865.14	7,352.06

ii. As on March 31, 2019

(Rupees in lakhs)

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Investments							
Preference shares	84.82	-	0.10	84.92	-	-	84.92
Loans *	-	-	1,030.93	1,030.93	-	-	1,030.93
Other financial assets *	-	-	140.60	140.60	-	-	140.60
Current							
Trade receivables *	-	-	9,823.05	9,823.05	-	-	9,823.05
Cash and cash equivalents *	-	-	1,362.95	1,362.95	-	1,362.95	-
Balances other than above *	-	-	246.96	246.96	-	246.96	-
Loans *	-	-	48.47	48.47	-	-	48.47
Other financial assets *	-	-	191.94	191.94	-	-	191.94
Total	84.82	-	12,845.00	12,929.82	-	1,609.91	11,319.91
Financial liabilities							
Non-current							
Borrowings #	-	-	9,703.14	9,703.14	-	9,703.14	-
Other financial liabilities *	-	-	654.28	654.28	-	-	654.28
Current							
Borrowings #	-	-	15,236.95	15,236.95	-	15,236.95	-
Trade payables *	-	-	8,012.15	8,012.15	-	-	8,012.15
Other current financial liabilities *	-	-	2,030.55	2,030.55	-	-	2,030.55
Total	-	-	35,637.07	35,637.07	-	24,940.09	10,696.98

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, 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, 2020 and March 31, 2019.

Reconciliation of Level 3 fair value measurement:

(Rupees in lakhs)

Particulars	For the year ended	
	31-Mar-20	31-Mar-19
Opening balance	84.82	76.32
Less : Realised during the year	20.00	-
	64.82	76.32
Gain recognised in other comprehensive income	10.00	8.50
Closing balance	74.82	84.82

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 analyze the risks faced by the Company, to set appropriate risks limits and controls, to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Company's activities. 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

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet

(Rupees in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Investments	3,341.10	3,356.10
Trade receivables (net of allowances for doubtful receivables)	70.34	9,823.05
Cash and cash equivalents	37.89	1,362.95
Balances other than cash and cash equivalents	127.15	246.96
Loans	210.84	1,079.40
Other financial assets	180.50	332.54

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 China. 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.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows.

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 lakhs)

Particulars	Gross carrying amount	
	As at March 31, 2020	As at March 31, 2019
Not due	-	2,906.62
1-90 days past due	-	477.92
91 to 180 days past due	-	29.77
More than 180 days past due #	72.69	186.90
Other receivables having negligible credit risk	-	6,400.38
Total	72.69	10,001.59

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 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 lakhs)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Balance at the beginning	178.54	71.05
Impairment loss recognised / (reversed)	(6.76)	111.00
Impairment loss (transfer) on Demerger/ Slump Sale	(126.72)	-
Less: Amount written off	(42.71)	3.51
Balance at the end	2.35	178.54

(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 55.

The Company's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.
- Maintaining diversified credit lines.

I. Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

(Rupees in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
From banks #	-	11219.79
From others	-	-

Includes Rs. Nil (previous year Rs. 10,891.95 lakhs) related to textile business of the Company. refer note 41 (a).

II. Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted:

(Rupees in lakhs)

As at March 31, 2020	Carrying amount	Contractual cash flows			
		Less than one year	Between one year and five years	More than 5 years	Total
Non-current liabilities					
Borrowings *	626.14	533.72	92.42	-	626.14
Other financial liabilities	528.17	-	528.17	-	528.17
Current liabilities					
Borrowings	2,239.00	2,239.00	-	-	2,239.00
Trade payables	5,562.36	5,562.36	-	-	5,562.36
Other financial liabilities *	1,261.53	1,261.53	-	-	1,261.53
Total	10,217.20	9,596.61	620.59	-	10,217.20

b. Financial risk management (continued)

(Rupees in lakhs)

As at March 31, 2019	Carrying amount	Contractual cash flows			
		Less than one year	Between one year and five years	More than 5 years	Total
Non-current liabilities					
Borrowings *	9,703.14	3,709.14	6,801.95	161.00	10,672.09
Other financial liabilities	654.28	-	16.70	637.58	654.28
Current liabilities					
Borrowings	15,236.95	15,236.95	-	-	15,236.95
Trade payables	8,012.15	8,012.15	-	-	8,012.15
Other financial liabilities *	2,030.55	2,978.63	-	-	2,978.63
Total	35,637.07	29,936.87	6,818.65	798.58	37,554.10

* Contractual cash flow includes the interest to be incurred and paid in subsequent periods

Refer note 41 on scheme

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 Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating, investing and financing activities.

Exposure to currency risk

The summary of quantitative data about the Company's exposure to currency risk, as expressed in Indian Rupees, as at March 31, 2020 and March 31, 2019 are as below:

(Rupees in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
	USD	USD
Financial assets		
Trade receivables	-	2,764.21
Cash and cash equivalent	-	307.73
Loans and advances	-	22.00
	-	3,093.94
Financial liabilities		
Borrowings	-	1,136.58
Trade payables	-	175.39
Other current financial liabilities	24.41	74.39
	24.41	1,386.36

b. Financial risk management (continued)**Sensitivity analysis**

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at March 31, 2020 (previous year ended as on March 31, 2019) would have affected the measurement of financial instruments denominated in functional currency and affected equity and profit or loss by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(Rupees in lakhs)

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, 2020				
USD	(0.24)	0.24	(0.24)	0.24
	(0.24)	0.24	(0.24)	0.24
For the year ended March 31, 2019				
USD	(17.08)	17.08	(13.56)	13.56
	(17.08)	17.08	(13.56)	13.56

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 lakhs)

Variable-rate instruments	As at March 31, 2020	As at March 31, 2019
Term loans from banks (Non current)	92.42	5,994.00
Term loans from banks (Current)	2,239.00	15,025.60
Loans repayable on demand from others	-	211.35
Current maturities of borrowings	533.72	3,709.14
Total	2,865.14	24,940.09

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 lakhs)

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, 2020	(61.97)	61.97	(61.97)	61.97
For the year ended March 31, 2019	(275.38)	275.38	(218.68)	218.68

54. Capital management

For the purpose of the Company's capital management, capital includes issued equity share capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the management of the Company's capital structure is to maintain an efficient mix of debt and equity in order to achieve a low cost of capital, while taking into account the desirability of retaining financial flexibility to pursue business opportunities and adequate access to liquidity to mitigate the effect of unforeseen events on cash flows.

The Company 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.

Notes to the Standalone financial statements for the year ended March 31, 2020 continued

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 parent).

(Rupees in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings	2,865.14	24,940.09
Less : Cash and bank balances	165.04	1,609.91
Adjusted net debt (A)	2,700.10	23,330.18
Total equity (B)	1,420.34	19,459.65
Adjusted net debt to total equity ratio (A/B)	1.90	1.20

55. Due to continued situation of industrial unrest in Engineering Business Undertaking of the company coupled with automotive recession, the Company is currently facing liquidity issues towards clearing of statutory dues, vendor payments and borrowings pertaining to its Engineering Division. This has significantly decreased the Company's net worth and the current liabilities exceed the current assets by Rs. 8,125.81 lakh as at March 31, 2020. The Scheme of Arrangement referred in note 41 (c) has been made with a view to restore profitability and revive the said Engineering Business 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 Undertaking to revive the 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, the Company will be able to continue its operation on a going concern basis. Accordingly, the financial statements of the Company have been prepared on a going concern basis.

56. As stated in note 55 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 977.53 lakhs to these banks as on the date of approval of these financial statements.
57. 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. 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 to March 31 2020 aggregating to Rs. 889.91 lakhs.
58. 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.
59. The Ministry of Home Affairs, Government of India on March 24, 2020 notified the first ever nationwide lockdown in India to contain the outbreak of Covid-19 pandemic. The Government has started to lift the lockdown in phases from the beginning of May 2020.

In view of the outbreak of the pandemic, the Company undertook timely and essential measures to ensure the safety and well-being of its employees. The office-based employees were allowed to work from home by providing adequate digital and other assistance. The Company observed all the Government advisories and guidelines thoroughly and in good faith.

The Management has been closely reviewing the impact of COVID-19 on the Company. Due to continuation of lockout of Engineering Business Unit (Business Undertaking), declared on October 22, 2019, the operation of the said Business Unit remained suspended during the lock down period on account of COVID-19. Based on current indicators of future economic conditions, the Company has concluded that the impact of COVID 19 is not material on long term basis on the future potential of its said Engineering Business Unit and Real Estate Operation. Due to the nature of the pandemic, the Company will continue to monitor any material changes on the future economic conditions and relating to its Businesses in future periods.

60. The financial statements of the Company for the year ended March 31, 2019 have been audited by predecessor auditor (B S R & Co LLP, Chartered Accountants) having firm registration number 101248W/W-100022) who have issued an unmodified audit opinion on the financial statements for the year ended March 31, 2019 vide their report dated August 12, 2019.

As per our report of even date attached

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 : June 26, 2020

Dr. Vinay Bharat Ram

Chairman

DIN: 00052826

Ashwani Singhal

Chief Financial Officer

Place : New Delhi

Date : June 26, 2020

Jitendra Tuli

Managing Director

DIN: 00272930

Vimal Prasad Gupta

Company Secretary

Bipin Maira

Director

DIN: 05127804

DCM

Independent Auditor's Report on the Consolidated Financial Statements

INDEPENDENT AUDITORS' REPORT

To the Members of DCM Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **DCM Limited** ("the Company" or "Holding Company") and its subsidiaries (the Company and its subsidiaries referred to as "the Group") and its jointly controlled entities, which comprise the consolidated balance sheet as at March 31, 2020, 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 for the year ended on that date, and 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 the subsidiaries and its Jointly controlled entities referred to in the other matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its Jointly controlled entities as at March 31, 2020, its consolidated loss, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards 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 its jointly controlled entities in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's 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 Matters' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Material Uncertainty Related to Going Concern

We draw attention to Note 55 to the accompanying consolidated financial statements, highlighting that due to recession in automotive sector and industrial unrest the Company is facing liquidity issues towards clearing of its statutory dues, vendor payments and borrowings pertaining to its Engineering Division. This has significantly eroded the Company's net worth and the current liabilities exceed the current assets by Rs. 7,057 lakhs as at March 31, 2020. The Covid 19 pandemic has further added uncertainties as referred to in Note 59. The Company has initiated restructuring of its Engineering Division as explained in the said note. The management of Holding Company believes that with the restructuring of its 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, the Group and its Jointly controlled entities will be able to continue its operation on a going concern basis. Accordingly, the financial statements of the Company have been

prepared on a going concern basis. Our Opinion is not modified in respect of this matter.

Emphasis of Matter

We draw attention to Note 57 to the accompanying consolidated financial statements, during the current quarter 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 and therefore, the Holding Company has not made any provision for wages pertaining to the lockout period from October 22, 2019 to March 31, 2020 aggregating to Rs. 890 lakhs. Our Opinion is not modified in respect of this matter.

Key Audit Matters:-

Key audit matters are those matters that, in our professional judgment and in the judgment of the component auditors, 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. In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matter described below to be key audit matter to be communicated in our report.

Key audit matters	How our audit addressed the key audit matters
<p>As at March 31, 2020, the Holding Company's balance sheet includes property, plant and equipment (PPE) amounting to Rs. 5,866.58 lakhs.</p> <p>The Engineering Division has PPE Rs. 5,067.54 lakhs which form a significant part of the PPE of the Company. In view of the continuous losses of the Engineering Division, the management has assessed that it needs to be tested for impairment.</p> <p>The assessment of the recoverable value of the PPE of the Engineering Division as mentioned above, 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 PPE of the 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 of the PPE, 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 PPE as at March 31, 2020; • obtaining valuation report in respect of land 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 consolidated financial statements, in respect of the PPE.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Director's Report including Annexures to Director's Report, Corporate Governance and Shareholder's Information, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated 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 such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibility of the Management and those charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its jointly controlled entities in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and of its jointly controlled entities are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding 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 the 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 which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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 of 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 of 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 scepticism 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 financial controls 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 which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its jointly controlled entities to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the standalone/ consolidated financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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.

Auditor's Report continued

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 auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- i. We did not audit the financial statements/financial information of six (6) subsidiaries whose financial statements/financial information reflect total assets of Rs. 47 lakhs as at March 31, 2020; as well as the total revenue of Rs. 28 lakhs, total profit after tax of Rs. (1) lakh, total comprehensive income of Rs. (1) lakh and net cash inflow / (Outflow) amounting to Rs. (7) lakhs for the year ended March 31, 2020, 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, 2020 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.
- ii. The consolidated financial statements also include the Group's share of profit including other comprehensive income / (loss) of Rs. (447) lakhs for the year ended March 31, 2020 in respect of four jointly controlled entities. The financial statements these jointly controlled entities have been audited by other auditors whose audit reports for the year ended March 31, 2020 have been furnished to us by the management. Our opinion on these consolidated financial statements, to the extent it concerns this jointly controlled entities, for the year ended March 31, 2020 is based solely on the report of the other auditors.

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.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, based on our audit and on the considerations of the reports of the other auditors on separate financial statements of the subsidiaries and its jointly controlled entities as referred to in the Other Matters paragraph above, we report, to the extent applicable, 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 of the aforesaid consolidated financial statements;
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;
- c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and the consolidated statement of cash flows dealt

with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended;
- e) On the basis of the written representations received from the directors of the Company as on March 31, 2020 taken on record by the Board of Directors of the Company and its subsidiaries incorporated in India and the reports of the statutory auditors of its subsidiary companies and its jointly controlled entities incorporated in India, none of the directors of the Group and its jointly controlled entities are disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act;
- f) With respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Group and its jointly controlled entities incorporated in India.
- g) In our opinion, the managerial remuneration for the year ended March 31, 2020 has been paid / provided by the Holding Company 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 Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us;
 - i. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2020 on the consolidated financial position of the Group and its jointly controlled entities -Refer Note 47 to the consolidated financial statements;
 - ii. The Group and its jointly controlled entities did not have any material foreseeable losses on long term contracts including derivative contracts; and
 - iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Group and its jointly controlled entities incorporated in India during the year ended March 31, 2020.

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

Sunil Wahal
Partner

Membership No. 087294
UDIN : 20087294AAAAEJ3466

Place: New Delhi
Date: June 26, 2020

Annexure A to the Independent Auditors' Report to the members of DCM Limited dated June 26, 2020 on its Consolidated Financial Statements

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section.

In conjunction with our audit of the consolidated financial statements of **DCM Limited** as of and for the year ended March 31, 2020, we have audited the Internal Financial Controls over Financial Reporting of **DCM 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 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 Over Financial Reporting

A company's internal financial control over financial reporting 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 control over financial reporting includes those policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- 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
- 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 over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, 2020, 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

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 six subsidiaries and four jointly controlled entities, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies.

Our audit report on the adequacy and operating effectiveness of the internal financial controls over financial reporting is not modified in respect of above matters.

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

Sunil Wahal
Partner

Membership No. 087294
UDIN : 20087294AAAAEJ3466

Place: New Delhi
Date: June 26, 2020

Consolidated Balance Sheet as at March 31, 2020

Particulars	Note	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
ASSETS			
Non-current assets			
Property, plant and equipment	3	5,962.40	17,221.37
Capital work-in progress	3	7.25	86.34
Right to use assets	4	161.67	-
Intangible assets	4	33.68	39.39
Financial assets			
(i) Investments	5	747.50	1,204.29
(ii) Loans	6	199.56	1,030.93
(iii) Other financial assets	7	67.52	140.60
Deferred tax assets (net)	36	8.73	0.42
Non-current tax assets (net)	8	583.73	630.90
Other non-current assets	9	852.92	1,932.86
Total non-current assets		8,624.96	22,287.10
Current assets			
Inventories	10	1,350.59	21,153.67
Financial assets			
(i) Trade receivables	11	1,015.04	9,823.05
(ii) Cash and cash equivalents	12	486.02	1,409.22
(iii) Bank balances other than (ii) above	13	136.43	254.20
(iv) Loans	14	27.28	48.47
(v) Other financial assets	15	209.07	191.94
Current tax assets (net)		0.93	16.81
Other current assets	16	163.51	1,708.97
Assets held for sale	51	207.55	212.53
Total current assets		3,596.42	34,818.86
Total assets		12,221.38	57,105.96
EQUITY AND LIABILITIES			
Equity			
Equity share capital	17	1,867.77	1,867.46
Other equity	18	(2,062.76)	15,796.87
Total equity		(194.99)	17,664.33
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	19	101.97	5,994.00
(ii) Other financial liabilities	20	655.45	654.28
Provisions	21	1,004.85	1,932.62
Total non-current liabilities		1,762.27	8,580.90
Current liabilities			
Financial liabilities			
(i) Borrowings	22	2,239.00	15,236.95
(ii) Trade payables	23		
Dues to micro and small enterprises		2,045.93	2,085.44
Dues to others		3,628.69	5,925.82
(iii) Other financial liabilities	24	2,080.78	5,743.96
Other current liabilities	25	350.42	1,353.28
Provisions	26	184.61	389.89
Deferred tax liabilities		-	-
Current tax liabilities (net)	27	124.67	125.39
Total current liabilities		10,654.10	30,860.73
Total equity and liabilities		12,221.38	57,105.96

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

As per our report of even date attached

For S S Kothari Mehta & Company

Chartered Accountants

ICAI Firm Registration No.: 000756N

Sunil Wahal

Partner

Membership No.: 087294

Place : New Delhi

Date : June 26, 2020

Dr. Vinay Bharat Ram

Chairman

DIN: 00052826

Ashwani Singhal

Chief Financial Officer

Place : New Delhi

Date : June 26, 2020

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

Jitendra Tuli

Managing Director

DIN: 00272930

Vimal Prasad Gupta

Company Secretary

Bipin Maira

Director

DIN: 05127804

DCM

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

Particulars	Note	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
Income			
Revenue from operations	28	18,609.23	43,254.45
Other income	29	2,656.47	350.97
Total income		21,265.70	43,605.42
Expenses			
Cost of materials consumed	30.	4,044.72	16,539.51
Cost of property sold		255.36	-
Changes in inventories of finished goods and work in progress	31.	2,520.89	(1,574.99)
Excise duty on sales		-	-
Employee benefits expense	32	6,677.44	10,558.24
Finance costs	33	1,099.38	1,312.43
Depreciation and amortisation expense	34	1,262.85	1,743.12
Other expenses	35	7,704.54	19,388.50
Total expenses		23,565.18	47,966.81
Profit/ (loss) before tax and share of profit/ (loss) of equity accounted investee		(2,299.48)	(4,361.39)
Share of (loss) in jointly controlled entity	62	(446.79)	(224.74)
(Loss) before tax		(2,746.27)	(4,586.13)
Tax expense			
Current tax expense	36	248.54	0.48
Tax adjustment relating to prior years	36	(56.29)	-
Deferred tax charge/(benefit)	36	(7.03)	-
		185.22	0.48
(Loss) for the year - continuing operations		(2,931.49)	(4,586.61)
Profit before tax - discontinued operations		-	4,640.75
Tax expense for discontinued operations		-	80.49
Profit after tax - discontinued operations		-	4,560.26
(Loss) for the year		(2,931.49)	(26.35)
Other comprehensive income/(expense)			
Continuing operations			
<i>Items that will not be reclassified to profit or loss</i>			
Re-measurement gain/ (losses) of defined benefit obligations		(42.29)	26.59
Income tax relating to remeasurement of defined benefit obligations		(1.70)	(4.21)
Net other comprehensive income/(expense) not to be reclassified subsequently to profit or loss		(40.59)	30.80
<i>Items that will be reclassified to profit or loss (net of tax)</i>			
Exchange difference in translating financial statements of foreign operations		49.58	55.93
Income tax relating to items that will be reclassified to profit or loss		8.47	11.51
Net other comprehensive income/(expense) to be reclassified subsequently to profit or loss		41.11	44.42
Discontinued operations			
Re-measurement gain/ (losses) of defined benefit obligations		-	(47.06)
Income tax relating to remeasurement of defined benefit obligations		-	-
Net other comprehensive income/(expense) not to be reclassified subsequently to profit or loss		-	(47.06)
Total other comprehensive income net of tax		0.52	28.16
Total comprehensive income / (loss) for the year		(2,930.97)	1.81
Earnings per equity share of Rs. 10 each	39		
Basic and diluted - from continuing operations		(15.69)	(24.57)
Basic and diluted - from discontinued operations		-	24.43
Basic and diluted - from continuing and discontinued operations		(15.69)	(0.14)

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

As per our report of even date attached

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

Dr. Vinay Bharat Ram

Chairman

DIN: 00052826

Jitendra Tuli

Managing Director

DIN: 00272930

Bipin Maira

Director

DIN: 05127804

Place : New Delhi

Date : June 26, 2020

Ashwani Singhal

Chief Financial Officer

Place : New Delhi

Date : June 26, 2020

Vimal Prasad Gupta

Company Secretary

DCM

Statement of Consolidated changes in equity for the year ended March 31, 2020

A. Equity share capital

(Rupees in lakhs)

Particulars	Note	Amount
Balance as at April 1, 2018	17	1,867.46
Changes in equity share capital during 2018-19	17	-
Balance as at March 31, 2019		1,867.46
Changes in equity share capital during 2019-20	17	0.31
Balance as at March 31, 2020		1,867.77

B. Other equity

(Rupees in lakhs)

Particulars	Reserve and surplus						Items of OCI	Total
	Securities premium account	Reserve Fund	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, 2018	7,367.00	0.27	130.10	29.96	264.78	8,027.03	(24.51)	15,794.63
Total comprehensive income for the year ended March 31, 2019								
Transferred from Crescita Enterprises Private Limited on amalgamation (refer note 42)	-	-	-	-	1,723.18	(0.07)	-	1,723.11
Adjustment on cancellation of shares acquired on amalgamation (refer note 42)	-	-	-	-	(1,722.68)	-	-	(1,722.68)
Loss for the year	-	-	-	-	-	(26.35)	-	(26.35)
Other comprehensive income / (loss) for the year	-	-	-	-	-	(16.26)	44.42	28.16
Total comprehensive income for the year	-	-	-	-	-	(42.61)	44.42	1.81
Balance as at March 31, 2019	7,367.00	0.27	130.10	29.96	265.28	7,984.35	19.91	15,796.87
Balance as at April 1, 2019	7,367.00	0.27	130.10	29.96	265.28	7,984.35	19.91	15,796.87
Transferred to DCM Nouvelle Limited on demerger (refer note 41)	(6,305.81)	-	-	-	-	(8,617.54)	-	(14,923.35)
Adjustment on cancellation of investment in DCM Nouvelle Limited (refer note 41) and calls in arrears	-	-	-	-	-	(5.31)	-	(5.31)
Total comprehensive income for the year ended March 31, 2020								
Loss for the year	-	-	-	-	-	(2,931.49)	-	(2,931.49)
Other comprehensive income / (loss) for the year	-	-	-	-	-	(40.59)	41.11	0.52
Total comprehensive income for the year	-	-	-	-	-	(2,972.08)	41.11	(2,930.97)
Balance as at March 31, 2020	1,061.19	0.27	130.10	29.96	265.28	(3,610.58)	61.02	(2,062.76)

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

As per our report of even date attached

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 : June 26, 2020

Dr. Vinay Bharat Ram

Chairman

DIN: 00052826

Ashwani Singhal

Chief Financial Officer

Place : New Delhi

Date : June 26, 2020

Jitendra Tuli

Managing Director

DIN: 00272930

Vimal Prasad Gupta

Company Secretary

Bipin Maira

Director

DIN: 05127804

DCM

Consolidated Cash flow statement for the year ended March 31, 2020

Particulars	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
Cash flow from operating activities		
Loss before taxation - Continued operations	(2,746.27)	(4,586.13)
Profit before taxation - Discontinued operations	-	4,640.75
Adjustments for :		
Depreciation and amortisation expense	1,262.85	3,443.85
(Profit)/ loss on sale of property, plant and equipment (net)	(2,431.81)	(5.24)
Liabilities no longer required written back	-	(162.11)
Unrealised foreign exchange difference	49.58	22.94
Interest income	(75.29)	(278.13)
Unwinding of discount on security deposits	5.65	(0.14)
Inventory of store and spares written off	-	292.89
Finance cost	1,099.38	2,755.20
Finance lease income	(11.67)	(17.02)
Allowance/ (reversal) of expected credit loss	(41.76)	107.49
Loss on finance lease cancellation	-	14.24
Remeasurement of revenue to finance income and lease receivable	88.58	111.95
Share of loss in jointly controlled entity	446.79	224.74
Operating cash flow before working capital changes	(2,353.97)	6,565.28
Changes in assets and liabilities		
(Increase) in inventories	2,858.89	(321.62)
(Increase)/decrease in trade receivables	2,219.54	1,928.68
(Increase)/decrease in loans	488.68	(79.33)
(Increase)/ decrease in other financial assets	(33.58)	456.69
(Increase) in other assets	341.21	627.50
Increase/ (decrease) in trade payable	(1,265.09)	(2,472.11)
(decrease) in provisions	(393.19)	(112.09)
Increase in financial liabilities	271.63	328.09
Increase/(decrease) in other liabilities	(615.29)	530.21
Cash generated from operations	1,518.83	7,451.30
Income-taxes (paid) / refund (net)	(138.89)	236.89
Net cash generated from operating activities (A)	1,379.94	7,688.19
Cash flow from investing activities		
Purchase of property, plant and equipment	(51.42)	(902.86)
Net proceeds from sale of rights in flats	2,392.78	-
Purchase of intangible assets	(13.19)	(2.12)
Net proceeds of property, plant and equipment	1,792.71	26.27
Proceeds from redemption of preference shares	20.00	-
Interest received	36.87	275.29
Deposits (made)/ matured not considered as cash and cash equivalents	78.59	226.66
Net cash generated from/ (used) in investing activities (B)	4,256.34	(376.76)
Cash flow from financing activities		
Repayment of non - current borrowings	(3,142.65)	(2,619.95)
Proceeds from non - current borrowings	-	339.47
Repayment of current borrowings	(1,321.08)	(1,711.86)
Payment towards lease liability	(88.29)	-
Finance cost paid	(1,020.75)	(2,716.61)
Net cash (used) in financing activities (C)	(5,572.77)	(6,708.95)
Net cash flows [increase/(decrease)] during the year (A+B+C)	63.51	602.48
Impact of exchange rate change on cash and cash equivalent	-	19.19
Cash and cash equivalents at the beginning of the year	1,494.50	872.46
Cash and cash equivalents transferred on demerger (Refer note 41)	(1,015.82)	0.37
Cash and cash equivalents at the end of the year	542.19	1,494.50
Components of cash and cash equivalents		
Cash on hand	5.96	13.35
Balances with scheduled banks:		
- Current accounts *	381.24	1,381.42
- Deposit accounts	154.99	99.73
Cash and cash equivalents at the end of the year	542.19	1,494.50

* Refer note 12 and 13

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 attached

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 : June 26, 2020

Dr. Vinay Bharat Ram

Chairman

DIN: 00052826

Ashwani Singhal

Chief Financial Officer

Place : New Delhi

Date : June 26, 2020

Jitendra Tuli

Managing Director

DIN: 00272930

Vimal Prasad Gupta

Company Secretary

Bipin Maira

Director

DIN: 05127804

DCM

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 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 BSE 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 June 26, 2020.

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 lakhs, 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

c. 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, 2021 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.

Changes in significant accounting policies

The Group has initially applied Ind AS 116 from 1 April 2019.

Effective April 01, 2019, the Group has adopted IND AS 116 “Leases” using modified retrospective approach. This has resulted in recognizing right of use assets and lease liability as on April 01, 2019. The adoption of the Standard did not have any material impact on the financial statements of the Group.

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
			2019-20	2018-19	
1.	DCM Finance & Leasing Limited	Subsidiary	100%	100%	India
2.	DCM Textiles Limited	Subsidiary	100%	100%	India
3.	DCM Realty and Infrastructure Limited	Subsidiary	100%	100%	India
4.	DCM Engineering Limited (Formerly DCM Tools & Dies Limited)	Subsidiary	100%	100%	India
5.	DCM Infotech Limited (Formerly DCM Realty Investment & Consulting Limited)	Subsidiary	100%	100%	India
6.	DCM Data Systems Limited	Subsidiary	100%	100%	India
7.	DCM Nouvelle Limited	Subsidiary#	-	100%	India
8.	DCM Engineering Products Educational Society	Society	100%	100%	India
9.	Purearth Infrastructure Limited	Joint venture	16.56%	16.56%	India

* Includes shares held by nominee shareholders

Demerged as per Scheme of Arrangement approved by NCLT (refer note 41)

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 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.

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).

Notes to the consolidated financial statements for the year ended March 31, 2020 continued

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

(Rupees in lakhs)

Particulars	Freehold land	Buildings	Lease -hold improvements	Plant and equipment	Furniture and fittings	Office equipment	Vehicles	Total	Capital work-in-progress
Gross carrying value									
Balance as at March 31, 2018	1,917.98	4,547.43	18.45	19,689.03	59.60	114.42	415.96	26,762.87	205.60
Add: Additions made during the year	-	10.75	-	907.80	2.34	18.86	99.70	1,039.45	306.03
Less: Disposals / adjustments during the year	-	-	-	6.85	0.02	0.24	45.57	52.68	425.29
Balance as at March 31, 2019	1,917.98	4,558.18	18.45	20,589.98	61.92	133.04	470.09	27,749.64	86.34
Add: Additions made during the year	-	281.16	-	62.95	13.55	20.77	9.22	387.65	8.65
Less: Assets transferred under demerger	687.10	3,107.56	-	10,903.91	19.86	24.84	141.29	14,884.56	20.05
Less: Disposals / adjustments during the year	724.73	318.70	-	0.31	12.13	0.10	10.07	1,066.04	67.69
Balance as at March 31, 2020	506.15	1,413.08	18.45	9,748.71	43.48	128.87	327.95	12,186.69	7.25
Accumulated depreciation/amortisation									
Balance as at March 31, 2018	-	321.05	10.04	6,597.00	20.71	44.80	143.52	7,137.12	-
Add: Depreciation expense for the year	-	162.09	2.32	3,142.05	7.77	24.66	83.91	3,422.80	-
Less: On disposals / adjustments during the year	-	-	-	1.31	-	-	30.34	31.65	-
Balance as at March 31, 2019	-	483.14	12.36	9,737.74	28.48	69.46	197.09	10,528.27	-
Add: Depreciation expense for the year	-	49.31	2.12	1,052.53	5.77	16.45	43.07	1,169.25	-
Less: Accumulated depreciation on assets transferred in demerger (refer foot note iii)	-	336.90	-	5,017.10	10.40	12.80	65.67	5,442.87	-
Less: On disposals / adjustments during the year	-	20.55	-	0.17	7.11	0.03	2.50	30.36	-
Balance as at March 31, 2020	-	175.00	14.48	5,773.00	16.74	73.08	171.99	6,224.29	-
Net carrying value									
As at March 31, 2020	506.15	1,238.08	3.97	3,975.71	26.74	55.79	155.96	5,962.40	7.25
As at March 31, 2019	1,917.98	4,075.04	6.09	10,852.24	33.44	63.58	273.00	17,221.37	86.34

(i) For details of assets pledged/ hypothecated as securities, refer note 19 and 22.

(ii) Refer note 47 (a) for disclosure of capital commitments for the acquisition of property, plant and equipment.

(iii) Refer note 41 for assets transferred under Scheme of Arrangement.

4. Intangible assets

(Rupees in lakhs)

Particulars	Software	Right of use assets	Total
Gross carrying value			
Balance as at March 31, 2018	120.94	-	120.94
Add: Additions during the year	2.12	-	2.12
Less: Disposals / adjustments during the year	-	-	-
Balance as at March 31, 2019	123.06	-	123.06
Add: Reclassified on account of adoption of Ind AS 116 *	-	326.67	326.67
Add: Additions during the year	13.19	-	13.19
Less: Assets transferred in demerger	-	-	-
Less: Disposals / adjustments during the year	-	90.30	90.30
Balance as at March 31, 2020	136.25	236.37	372.62
Accumulated amortisation			
Balance as at March 31, 2018	62.62	-	62.62
Add: Additions during the year	21.05	-	21.05
Less: Disposals / adjustments during the year	-	-	-
Balance as at March 31, 2019	83.67	-	83.67
Add: Amortisation expense for the year	18.90	74.70	93.60
Less: Accumulated depreciation transferred in demerger	-	-	-
Less: On disposals/adjustments during the year	-	-	-
Balance as at March 31, 2020	102.57	74.70	177.27
Net book value			
As at March 31, 2020	33.68	161.67	195.35
As at March 31, 2019	39.39	-	39.39

(i) Refer note 41 for assets transferred under Scheme of Arrangement.

Notes to the consolidated financial statements for the year ended March 31, 2020 continued

* Ind AS 116 Disclosure

Effective April 01, 2019, the Company has adopted IND AS 116 "Leases" using modified retrospective approach. This has resulted in recognizing right of use assets and lease liability as on April 01, 2019. The adoption of the Standard did not have any material impact on the financial results of the Company.

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

As at April 1, 2019	(in Rs. lakhs)
Reclassified on account of adoption of Ind AS 116	326.67
Acquisition	-
Accretion of interest	24.96
Deletions	(90.30)
Payments	(88.29)
As at March 31, 2020	173.04
Current	45.76
Non-current	127.28

The effective interest rate for lease liabilities is 12.00%, with maturity between 2020-2022

The following are the amounts recognised in profit or loss:

Year ended March 31, 2020 (Leases under Ind AS 116)	(in Rs. lakhs)
Depreciation expense of right of use assets	74.70
Interest expense on lease liabilities	24.96
Expense relating to leases of short-term / low value assets (included in other expenses)	21.75
Total amount recognised in profit or loss	121.41

Amounts recognised in statement of cash flows:

Year ended March 31, 2020	(in Rs. lakhs)
Financing activities	
Repayment of principal	63.33
Repayment of interest	24.96
Operating activities	
Short term / low value assets lease payment	21.75
Total cash outflow for leases	110.04

Notes to the consolidated financial statements for the year ended March 31, 2020 continued

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
5. Investments		
(a) Investments in equity shares of Joint venture at cost (unquoted)		
Equity accounted investee		
Purearth Infrastructure Limited #	672.68	1,119.47
17,853,605 (March 31, 2019: 17,853,605) equity shares of face value of Rs. 10 each, fully paid up		
Sub total	672.68	1,119.47
(b) In preference shares (unquoted)		
Preference shares at FVTPL		
Combine Overseas Limited	74.82	84.82
80,000 (March 31, 2019: 100,000) 0% Non cumulative redeemable preference shares of Rs. 100 each fully paid up (Refer note 45)		
Sub total	74.82	84.82
Investment - non - current - Total	747.50	1,204.29
Aggregate cost of unquoted investments in equity shares	672.68	1,119.47
Aggregate cost of unquoted investments in preference shares at FVTPL	74.82	84.82
# In terms of SORA (refer note 40), 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.		

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
6. Loans (Non-current)		
<i>Unsecured considered good</i>		
Security deposits	199.56	1,025.89
Loans to employees	-	5.04
Total	199.56	1,030.93

The Group's exposure to credit and currency risks, and loss allowance related to non current financial assets are disclosed in Note 53.

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
7. Other non-current financial assets		
<i>(Unsecured, considered good)</i>		
Deposits with maturity for more than twelve months including interest (Refer note below)	8.86	-
Finance lease receivable (Refer note 38)	58.66	140.60
Total	67.52	140.60

Note:

- (i) Bank deposits include Rs. 8.86 lakhs (March 31, 2019: Rs. Nil) held as margin money

The Group's exposure to credit and currency risks, and loss allowance related to non-current financial assets are disclosed in note 53.

Notes to the consolidated financial statements for the year ended March 31, 2020 continued

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
8. Non-current tax assets (net)		
Advance income tax	583.73	630.90
[net of provision Rs. 2,699.29 lakhs (March 31, 2019: Rs. 2,666.89 lakhs)]		
Total	583.73	630.90
	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
9. Other non-current assets		
<i>(Unsecured, considered good)</i>		
Capital advances		
To related party (Refer note 49)	47.21	587.37
Others (Refer note 44)	424.63	1,011.55
Deferred rent	2.74	10.17
Balances with government authorities	194.26	135.32
Other advances	184.08	188.45
<i>Unsecured, Considered doubtful</i>		
Other advances*	502.18	502.18
	1,355.10	2,435.04
Less: Loss allowance for doubtful advances	502.18	502.18
Total	852.92	1,932.86
* Include Rs. 10.00 lakhs (March 31, 2019: Rs. 10.00 lakhs) as inter corporate deposits.		
	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
10. Inventories		
<i>(Valued at lower of cost and net realisable value)</i>		
Raw materials	154.82	13,185.98
Work-in-progress	91.90	2,663.14
Finished goods*	-	3,911.75
Stores and spares	1,103.87	1,392.80
Total	1,350.59	21,153.67
* Includes finished goods in transit Rs. Nil (March 31, 2019: Rs. 2,526.20 lakhs)		
(i) For details of inventory pledged/ hypothecated as securities, (refer note 19 and 22)		

Notes to the consolidated financial statements for the year ended March 31, 2020 continued

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
11. Trade receivables		
<i>(Secured)</i>		
Considered good	-	0.50
<i>(Unsecured)</i>		
Considered good*	1,015.04	9,822.55
Which have significant increase in credit risk	26.74	181.76
	<u>1,041.78</u>	<u>10,004.31</u>
Less : Expected credit loss allowance	26.74	181.76
	<u>1,015.04</u>	<u>9,822.55</u>
Total	<u>1,015.04</u>	<u>9,823.05</u>

The Group's exposure to credit and currency risks, and loss allowance related to trade receivables are disclosed in note 53.

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
12. Cash and cash equivalents		
Balances with banks		
- In current accounts	325.07	1,296.14
Deposits with original maturity of three months or less ^	154.99	99.73
Cash on hand	5.96	13.35
Total	<u>486.02</u>	<u>1,409.22</u>
^ Against margin money		

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
13. Bank balances other than cash and cash equivalents		
In current accounts *	56.17	85.28
In deposit accounts **	80.26	168.92
	<u>136.43</u>	<u>254.20</u>
Less: Deposits due for realization after twelve months of the reporting date	-	-
Total	<u>136.43</u>	<u>254.20</u>

The Group's exposure to credit and currency risks, and loss allowance related to current financial assets (for note 12 and 13) are disclosed in Note 53.

* **Current account includes:**

Unpaid dividend account	56.17	79.81
With debenture trustee	-	3.90
Earmarked for other specific uses	-	1.57

** **Deposit account includes**

Earmarked for specific uses	17.29	3.69
Against margin money	5.52	37.43

Notes to the consolidated financial statements for the year ended March 31, 2020 continued

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
14. Loans-Current		
<i>(Unsecured, considered good)</i>		
Loans to employees	27.28	48.47
Total	27.28	48.47

The Group's exposure to credit and currency risks, and loss allowance related to current financial assets are disclosed in Note 53.

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
15. Other current financial assets		
<i>(Unsecured, considered good)</i>		
Interest accrued on fixed deposits	4.13	4.46
Interest accrued on security deposits	28.62	-
Insurance claim receivables	-	2.08
Unbilled revenue	86.64	60.81
Finance lease receivable (refer note 38)	81.93	76.90
Forward gain receivable	-	47.69
Other receivable from related party (refer note 49)	7.75	-
Total	209.07	191.94

The Group's exposure to credit and currency risks, and loss allowance related to current financial assets are disclosed in Note 53.

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
16. Other current assets		
<i>(Unsecured, considered good)</i>		
Advances to suppliers	39.32	146.44
Prepaid expenses	63.62	177.49
Balance with statutory/government authorities	40.09	975.02
Technology upgradation fund (TUF) subsidy receivable	-	74.52
Deferred rent	1.29	5.34
Others receivables *	19.19	330.16
Total	163.51	1,708.97

* Include amount pertaining to railway dispute against High court order of Rs 18.57 lakhs (March 31, 2019 Rs 18.57 lakhs) (Refer note 47(b))

Notes to the consolidated financial statements for the year ended March 31, 2020 continued

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs		
17. Equity share capital				
a) Authorised				
83,999,000 (March 31, 2019: 83,999,000) equity shares of Rs. 10 each	8,399.90	8,399.90		
100 (March 31, 2019: 100) 13.5% redeemable cumulative preference shares of Rs. 100 each	0.10	0.10		
320,000 (March 31, 2019: 320,000) 9.5%- 6th cumulative redeemable cumulative preference shares of Rs. 25 each	80.00	80.00		
3,680,000 (March 31, 2019: 3,680,000) preference shares of Rs. 25 each	920.00	920.00		
1,000,000 (March 31, 2019: 1,000,000) cumulative preference shares of Rs. 100 each	1,000.00	1,000.00		
	10,400.00	10,400.00		
b) Issued, subscribed and fully paid-up				
18,677,749 (March 31, 2019: 18,677,749) equity shares of Rs. 10 each fully paid-up	1,867.77	1,867.77		
Less: Calls in arrears by others *	-	(0.31)		
Total issued, subscribed and fully paid-up share capital	1,867.77	1,867.46		
c) Reconciliation of the shares outstanding at the beginning and at the end of reporting period:				
	As at March 31, 2020	As at March 31, 2019		
	Number of shares	Amount Rs./Lakhs	Number of shares	Amount Rs./Lakhs
Equity shares				
At the commencement of the year	18,677,749	1,867.77	18,677,749	1,867.77
Add: Shares allotted during the year (Refer note 42)	-	-	9,030,495	903.05
Less: Shares cancelled during the year (Refer note 42)	-	-	9,030,495	903.05
At the end of the year	18,677,749	1,867.77	18,677,749	1,867.77
d) Terms, rights, preferences and restrictions attached to equity shares:				
The Holding Company has issued one class of equity shares having 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 Holding Company. In the event of liquidation of the Holding Company, holder of equity shares will be entitle 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 shares held by shareholders holding more than 5% of the aggregate shares in the Company:				
	As at March 31, 2020	As at March 31, 2019		
	Number of shares	% of holding	Number of shares	% of holding
Dr. Vinay Bharat Ram	-	-	9,043,126	48.42%
Sumant Bharat Ram	9,056,932	48.49%	-	-
Life Insurance Corporation of India	1,132,850	6.07%	1,148,512	6.15%
(f) Details of shares issued for consideration other than cash :				
Issued, subscribed and fully paid up shares includes 1,298,712 equity shares issued during the financial year ended 2016-17 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.				

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
18. Other equity		
Securities premium account		
Balance as at the beginning of the year	7,367.00	7,367.00
Less: Adjustment on Demerger	6,305.81	-
Balance as at the end of the year	1,061.19	7,367.00
Reserve fund		
Balance as at the beginning and end of the year	0.27	0.27
Capital reserve		
Balance as at the beginning of the year	265.28	264.78
Transferred from Crescita enterprises Private Limited on amalgamation (Refer note 42)	-	1,723.18
Adjustment on cancellation of shares acquired on amalgamation (Refer note 42)	-	(1,722.68)
Balance as at the end of the year	265.28	265.28
Special reserve		
Balance as at the beginning and end of the year	29.96	29.96
Capital redemption reserve		
Balance as at the beginning and end of the year	130.10	130.10
Surplus in Statement of Profit and Loss		
Balance as at the beginning of the year	8,004.26	8,002.52
Add/ less : Adjustments on Amalgamation/ Demerger (refer note 41 and 42)	(8,622.85)	(0.07)
Add: Profit/(Loss) for the year	(2,931.49)	(26.35)
Items of other comprehensive income/ (expense) recognised directly in retained earnings		
Remeasurement of post employment benefit obligation, net of tax	(40.59)	(16.26)
Exchange difference in translating financial statements of foreign operations, net of tax	41.11	44.42
Balance as at the end of the year	(3,549.56)	8,004.26
Total	(2,062.76)	15,796.87

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

Notes to the consolidated financial statements for the year ended March 31, 2020 continued

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
19. Non-current borrowings		
Secured		
Term loans		
From banks	640.52	7,707.44
From others	-	1,995.70
	<u>640.52</u>	<u>9,703.14</u>
Unsecured		
Term loans		
From others	-	-
	<u>-</u>	<u>-</u>
Total non-current borrowings	<u>640.52</u>	<u>9,703.14</u>
Less: Current maturities on non-current borrowings	538.55	3,709.14
Total non-current borrowings	<u>101.97</u>	<u>5,994.00</u>

Change in liability arising from financing activities

(Rupees in lakhs)

Particulars	Opening	Cash flows	Non-cash changes			Closing
			Acquisition	Foreign exchange movement	Fair value changes	
Non-current borrowing						
2019-20	9,703.14	(3,142.65)	(5,930.92)	-	10.95	640.52
2018-19	11,964.66	(2,280.48)	-	-	18.96	9,703.14

Repayment terms and security disclosure for the outstanding borrowings:

Secured :-

From banks:

- Term loans aggregating Rs. Nil (March 31, 2019: Rs. 5,894.92 lakhs) was secured by first charge alongwith the charge created for availing cash credit, overdraft and working capital demand loan facilities described in note 22, on existing as well as future block of movable assets and an equitable mortgage by deposit of title deeds of land admeasuring 129.47 acres and all the immovable assets, both present and future, pertaining to the Textile Division at Hisar. The term loan has been transferred to DCM Nouvelle Limited pursuant to Scheme of Demerger of Textile Business w.e.f. 01.04.2019 as approved by NCLT. (refer note 41 (a))
- Rs. 184.28 lakhs (March 31, 2019: Rs. 424.33 lakhs) secured by way of first pari passu charge on the fixed assets 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 is availed from State bank of India and carries a floating interest rate ranging between 12.20%- 13.00% per annum. The repayment of instalment aggregating to Rs. 184.28 lakhs and interest of Rs 9.17 lakhs remained in default as on 31.03.2020 pertaining to the period from October 1, 2019 to March 31, 2020. This does not include the amount of delay/default in repayment of instalment/interest during the year which was not regularized on or before 31.03.2020.
- Rs. 200.00 lakhs (March 31, 2019: Rs. 798.04 lakhs) secured by way of first pari passu charge on the fixed assets 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 is availed from ICICI bank and carries a floating interest rate 11.75% -12.35% per annum. The repayment of instalment aggregating to Rs. 200.00 lakhs and interest of Rs 6.84 lakhs remained in default as on 31.03.2020 pertaining to the period from January 19, 2020 to March 31, 2020. This does not include the amount of delay/default in repayment of instalment/interest during the year which was not regularized on or before 31.03.2020.
- Rs. 185.11 lakhs (March 31, 2019: Rs. 448.51 lakhs) secured by way of first pari passu charge on the fixed assets (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 is availed from HDFC bank and carries a floating interest rate @ 11.80% per annum and is repayable in 33 monthly instalments.
- Rs. 56.75 lakhs (March 31, 2019: Rs. 126.00 lakhs) 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 installments. The loans are availed from banking and financial institutions and carry an interest rate ranging between 9.50%-13.50% per annum.

Notes to the consolidated financial statements for the year ended March 31, 2020 continued

- (f) Rs 9.56 lakhs (March 31, 2019: Rs 15.64 lakhs) outstanding against Vehicle purchased under hire purchase/financing arrangements by DCM Infotech Limited (earstwhile DCM Data Systems -IT Division of DCM Limited) and are secured by way of hypothecation of the specified vehicle. Loan is Repayable in equal monthly installments. The loans carry an interest rate of 8.9% per Annum.

From others:

Secured :

- (a) Rs. Nil (March 31, 2019: Rs. 2.63 lakhs) relate to assets purchased under hire purchase/financing arrangements and are secured by way of hypothecation of the specified assets. Repayable in equal monthly installments. The loans carry an interest rate ranging between 9.50%-13.50% per annum.
- (b) Rs. Nil (March 31, 2019: Rs. 1,993.07 lakhs) secured by way of extensions of pledge of 100% equity shares of Teak Farms Private Limited (TFPC) and 100% equity shares of Jubi Developers Private Limited (enterprises over which Key Managerial Personnel have significant influence) and pledged of 50 lakhs equity shares of DCM Limited held by Dr. Vinay Bharat Ram – Chairman & Managing Director (Managing Director upto September 30, 2019)

The Company's exposure to interest, currency and liquidity risks related to financial liabilities is disclosed in Note 53.

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
20. Other non-current financial liabilities		
Security deposits	-	8.10
Other deposits	0.73	118.74
Lease liability	127.28	-
Others	527.44	527.44
Total	655.45	654.28

The Group's exposure to interest, currency and liquidity risks related to non-current financial liabilities is disclosed in Note 53.

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
21. Non-current provisions		
Provision for employee benefits (Refer note 48)		
- Gratuity	896.48	1,501.66
- Compensated absences	108.37	430.96
Total	1,004.85	1,932.62

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
22. Current borrowings		
Secured		
Loans repayable on demand from banks	2,239.00	12,925.60
Unsecured		
Payable to bank	-	2,100.00
Payable to others	-	211.35
Total	2,239.00	15,236.95

Change in liability arising from financing activities

(Rupees in lakhs)

Particulars	Opening	Cash flows	Non-cash changes			Closing
			Acquisition / (Transfer)	Foreign exchange movement	Fair value changes	
Current borrowing						
2019-20	15,236.95	(1,321.08)	(11,676.87)	-	-	2,239.00
2018-19	16,948.81	(1,711.86)	-	-	-	15,236.95

Security against loans repayable on demand

- i) Cash credit/overdraft and working capital demand loan facilities aggregating to Rs. Nil (March 31, 2019: Rs. 9,576.86 lakhs) relating to Textile Division at Hisar are secured by way of:
- hypothecation of stocks / stores and book debts, both present and future.
 - further secured by equitable mortgage of land admeasuring 129.47 acres and all immovable assets, both present and future, and first charge, ranking pari-passu with the charge created for availing term loans as described in note 19, by way of hypothecation of existing as well as future block of movable assets pertaining to the Division.

The above cash credits/ overdraft facilities pertaining to the textile business has been transferred to DCM Nouvelle Limited pursuant to Scheme of Demerger of Textile Business w.e.f. 01.04.2019 as approved by NCLT.

- ii) Cash credit facilities aggregating to Rs. Nil (March 31, 2019: Rs. 72.17 lakhs) relating to IT Division from a bank are secured by way of:
- first charge/hypothecation of inventories, book debts and other assets of the Division (both present and future), and by way of first charge on office property at Hyderabad.
- iii) Cash credit and working capital demand loans facilities aggregating to Rs. 1,348.20 lakhs (March 31, 2019: Rs. 2,378.01 lakhs) 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 fixed 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 machinery, 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 facilities, availed from State bank of India and ICICI bank, and were overdrawn by Rs. 537.88 lakhs (including interest) as on balance sheet date. The above accounts are overdrawn since September 2019.
- iv) Overdraft facility of Rs. 890.80 lakhs (March 31, 2019: Rs. 898.56 lakhs), 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 measuring 39.02 acres (March 31 2019: 39.02 acres) and land and building located in Rail Mazra Village, Tehsil Balachaur, District Shaheed Bhagat Singh Nagar, Punjab measuring 3.79 acres. (March 31 2019: 4.02 acres) (refer note 51)
- v) The above facilities carries interest rate ranging between 11.55% - 14.15%

Unsecured**Payable to bank**

- a) Rs. Nil (March 2019 : Rs. 2100.00 lakhs) working capital demand loan was secured by secondary collateral of PDC of Rs. 3000.00 lakhs in the previous year.

Payable to others

- a) Rs. Nil (March 2019 : Rs. 211.35 lakhs) payable against bills discounted against receivables from customers

The Company's exposure to interest, currency and liquidity risks related to financial liabilities is disclosed in Note 53.

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
23. Financial liabilities- Trade payables		
Trade payables		
Dues to micro and small enterprises **	2,045.93	2,085.44
Dues to others*	3,628.69	5,925.82
Total	5,674.62	8,011.26
The Group's exposure to currency and liquidity risks related to financial liabilities is disclosed in note 53.		
** The following details relating to Micro, Small and Medium Enterprises shall be disclosed:		
* Include balance due to related party Rs 0.11 lakhs (March 31, 2019 Rs Nil) (refer note 49)		
Particulars		
(a) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the year- Principal includes Rs. 4.51 lakhs (March 31 2019 Rs 2.20 lakhs) payable to creditor of capital goods - refer note 24)	1,764.36	2,087.71
(b) The amounts remaining unpaid to micro, small and medium enterprises as at the end of the year- Interest	286.08	-
(c) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, during each accounting year	-	-
(d) The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
(e) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under Micro Small and Medium Enterprises Development Act, 2006.	286.08	32.19
(f) The amount of interest accrued and remaining unpaid at the end of each accounting year.	286.08	-

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
24. Other current financial liabilities		
Current maturities of non-current borrowings (refer note 19)		
Secured		
From banks	538.55	2,706.51
From others	-	1,002.63
	<u>538.55</u>	<u>3,709.14</u>
Unclaimed dividends *	56.17	79.81
Unclaimed matured deposits and interest accrued thereon *	1.05	1.05
Unclaimed matured debentures and interest accrued thereon *	5.52	8.11
Security deposits received	8.16	10.95
Interest accrued but not due on borrowings	47.77	99.24
Employee related payable	1,373.29	1,714.51
Lease liability	45.76	-
Liability for capital goods		
Dues to micro and small enterprises **	4.51	2.27
Dues to others	-	118.88
Total	<u><u>2,080.78</u></u>	<u><u>5,743.96</u></u>
* No amount is due for transfer under Investor Education and Protection Fund in view of SORA, pursuant to which certain past dues have been rescheduled for payment.		
** Refer note 23		
The Group's exposure to currency and liquidity risks related to financial liabilities is disclosed in Note 53.		
	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
25. Other current liabilities		
Advance from customers	146.16	441.59
Statutory dues payables	49.87	770.06
Other payables	154.39	141.63
Total	<u><u>350.42</u></u>	<u><u>1,353.28</u></u>
	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
26. Current provisions		
Provision for employee benefits		
- Gratuity (Refer note 48)	171.35	336.35
- Compensated absences	13.26	53.54
Total	<u><u>184.61</u></u>	<u><u>389.89</u></u>

Notes to the consolidated financial statements for the year ended March 31, 2020 continued

	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
27. Current tax liabilities (net)		
Provision for income tax [net of advance tax Rs. 1,224.69 lakhs (March 31, 2019: Rs. 1,053.43 lakhs)]	124.67	125.39
Total	124.67	125.39
	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
28. Revenue from operations		
Sale of products		
Manufactured goods		
Iron castings	12,643.70	38,554.58
Patterns, jigs and fixtures	72.27	162.05
Sale of rights	851.20	-
Sale of product license	85.43	103.55
Sale of services	4,782.59	4,275.28
	18,435.19	43,095.46
Other operating revenue		
Waste sales	174.04	158.99
	174.04	158.99
Total	18,609.23	43,254.45
Contract Balances	As at March 31, 2020 Rs./Lakhs	As at March 31, 2019 Rs./Lakhs
Trade receivable	1,015.04	9,823.05
Unbilled revenue	86.64	60.81
Reconciliation of revenue recognised with the contracted price is as follows:		
	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
Contracted price	18,660.52	43,403.49
Reductions towards variable consideration components	(51.29)	(149.04)
Revenue recognised	18,609.23	43,254.45
Discontinued operations		
Contracted price	-	66,932.27
Reductions towards variable consideration components	-	(182.64)
Revenue recognised	-	66,749.63

	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
29. Other income		
Interest income on financial assets at amortised cost		
- Deposits with others	2.30	5.75
- Other interest income	75.29	121.36
Net gain on foreign currency transactions	30.18	23.07
Profit on sale of property, plant and equipment (net)	2,431.81	6.72
Liabilities/provisions no longer required written back	19.73	162.11
Provisions for doubtful debt no longer required written back	6.76	-
Finance lease income	11.67	17.02
Miscellaneous income *	78.73	14.94
Total	2,656.47	350.97
* include transactions with related party		
	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
30. Cost of material consumed		
Opening stock	321.25	366.70
Add: Purchases	3,878.29	16,494.06
	4,199.54	16,860.76
Less: Closing stock	154.82	321.25
	4,044.72	16,539.51
	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
31. Changes in inventories of finished goods and work-in-progress		
<u>Inventories at the end of the year:</u>		
Finished goods	-	905.39
Work-in-progress	91.90	1,707.40
Total	91.90	2,612.79
<u>Inventories at the beginning of the year:</u>		
Finished goods	905.39	-
Work-in-progress	1,707.40	1,037.80
Total	2,612.79	1,037.80
Net (increase)/ decrease	2,520.89	(1,574.99)

Notes to the consolidated financial statements for the year ended March 31, 2020 continued

	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
32. Employee benefits expense		
Salaries, bonus and other allowances	6,016.97	9,647.36
Contribution to provident and other funds	363.08	458.72
Gratuity expense (Refer note 48)	169.85	193.66
Staff welfare expenses	127.54	258.50
Total	6,677.44	10,558.24

	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
33. Finance costs		
Interest expense on :		
Borrowings	1,009.75	998.22
Lease Liabilities (refer note 4)	24.96	-
Others	9.32	19.00
Other borrowing costs	55.35	295.21
Total	1,099.38	1,312.43

	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
34. Depreciation and amortisation expense		
Depreciation on property, plant and equipment	1,169.25	1,722.07
Amortisation of intangible assets	18.90	21.05
Amortisation of right to use asset (refer note 4)	74.70	-
Total	1,262.85	1,743.12

	For the year ended March 31, 2020 Rs./Lakhs	For the year ended March 31, 2019 Rs./Lakhs
35. Other expenses		
Consumption of stores and spare parts	2,329.48	7,538.85
Power, fuel, etc.	2,346.81	6,574.29
Rent (refer note 38)	21.75	113.36
Repair and maintenance		
- Buildings	10.95	45.40
- Machinery	325.59	1,072.00
- others	110.34	144.00
Subcontracting charges ^	864.17	1,526.32
Freight and forwarding	271.68	739.99
Insurance	66.43	63.03
Rates and taxes	410.19	12.01
Directors' fees	92.21	16.20
Legal and professional fees (refer note (i) below)	333.00	317.38
Travelling and conveyance	175.00	370.38
Inventory store and spares written off	-	292.89
Expenditure on corporate social responsibility (Refer note 53)	-	12.17
Allowance for bad trade and other receivables, loans and advances	-	22.34
Bad trade and other receivables, loans and advances written off	34.52	
Less: Provision already held	-	64.80
Loss on finance lease written off	5.75	14.24
Loss on property, plant and equipment sold/ written off (net)	-	4.21
Miscellaneous expenses	306.67	444.64
Total	7,704.54	19,388.50
(i) Includes auditors remuneration (excluding taxes) **		
For audit fee and limited review	21.50	46.50
For certification and other services	1.50	0.25
for reimbursement of expenses	3.78	3.70
Total	26.78	50.45

^ Includes freight, transportation expense Rs 63.23 lakhs (Previous year Rs 227.14 lakhs) incurred on materials sent to and received back from sub-contractors.

** Excluding remuneration of other auditors of subsidiaries Rs. 1.37 lakhs (March 2019 : Rs. 1.40 lakhs) and audit fee paid by jointly controlled entity (share of joint venture Rs. 3.51 lakhs (March 2019 : Rs. 4.86 lakhs) accounted as per equity method

Notes to the consolidated financial statements for the year ended March 31, 2020 continued

36. Tax expense

(Rupees in lakhs)

(a) Amounts recognised in profit and loss

	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax (a)		
Current tax for the year	248.54	80.97
Adjustment for current tax of prior years	(56.29)	-
Deferred tax expense/ (credit) (b)	192.25	80.97
Tax expense for the year	(7.03)	-
	<u>185.22</u>	<u>80.97</u>

(b) Amounts recognised in other comprehensive income/(expense)

	For the year ended March 31, 2020		
	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss			
Remeasurements of defined benefit obligations	(42.29)	(1.70)	(40.59)
Exchange difference in translating financial statements of foreign operations	-	-	-
	<u>(42.29)</u>	<u>(1.70)</u>	<u>(40.59)</u>
	For the year ended March 31, 2019		
	Before tax	Tax (expense) benefit	Net of tax
Items that will be reclassified to profit or loss			
Remeasurements of defined benefit obligations	(20.47)	(4.21)	(16.26)
Exchange difference in translating financial statements of foreign operations	55.93	11.51	44.42
	<u>35.46</u>	<u>7.30</u>	<u>28.16</u>

- (c) As at March 31, 2020, the Holding Company has unabsorbed depreciation of Rs. 9,824.20 lakhs and business losses of Rs. 3,281.36 lakhs 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. However deferred tax assets of Rs. 11.21 lakhs and deferred tax liability of Rs. 2.48 lakhs recognised by its subsidiary companies (net deferred tax assets Rs. 8.73 lakhs) has been recognised in these consolidated financial statements and included in the consolidated figures given below. The Group 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) / liabilities	
	As at March 31, 2020	As at March 31, 2019
Property, plant and equipment	(7.97)	-
Provision for gratuity and compensated absences	(299.20)	(724.63)
Unabsorbed depreciation	(2,860.81)	(2,849.46)
Business loss	(955.53)	-
Provision for trade receivables and other advances	(6.82)	(55.70)
Other items	(79.53)	(112.55)
Net deferred tax (assets)	<u>(4,209.86)</u>	<u>(3,742.34)</u>

(Rupees in lakhs)

	Deferred tax liabilities	
	As at March 31, 2020	As at March 31, 2019
Property, plant and equipment	-	522.14
Provision for gratuity and compensated absences	-	-
Unabsorbed depreciation	-	-
Business loss	-	-
Provision for trade receivables and other advances	-	-
Other items	-	-
Net deferred tax liabilities	-	522.14

	Net deferred tax (asset) / liabilities	
	As at March 31, 2020	As at March 31, 2019
Property, plant and equipment	(7.97)	522.14
Provision for gratuity and compensated absences	(299.20)	(724.63)
Unabsorbed depreciation	(2,860.81)	(2,849.46)
Business loss	(955.53)	-
Provision for trade receivables and other advances	(6.82)	(55.70)
Other items	(79.53)	(112.55)
Net deferred tax (assets) / liabilities	(4,209.86)	(3,220.20)

(d) Movement in temporary differences:

	Balance as at March 31, 2018	Movement during 2018-19	Recognised in OCI during 2018-19	Balance as at March 31, 2019
Property, plant and equipment	892.92	(370.78)	-	522.14
Provision for gratuity and compensated absences	(723.88)	(0.75)	-	(724.63)
Unabsorbed depreciation	(3,305.64)	456.18	-	(2,849.46)
Business loss	(117.94)	117.94	-	-
Provision for trade receivables and other advances	(24.88)	(30.82)	-	(55.70)
Other items	(160.02)	47.47	-	(112.55)
	<u>(3,439.44)</u>	<u>219.24</u>	<u>-</u>	<u>(3,220.20)</u>

	Balance as at March 31, 2019	Movement during 2019-20	Recognised in OCI during 2019-20	Balance as at March 31, 2020
Property, plant and equipment	522.14	(530.11)	-	(7.97)
Provision for gratuity and compensated absences	(724.63)	425.43	-	(299.20)
Unabsorbed depreciation	(2,849.46)	(11.35)	-	(2,860.81)
Business loss	-	(955.53)	-	(955.53)
Provision for trade receivables and other advances	(55.70)	48.88	-	(6.82)
Other items	(112.55)	33.02	-	(79.53)
	<u>(3,220.20)</u>	<u>(989.66)</u>	<u>-</u>	<u>(4,209.86)</u>

Notes to the consolidated financial statements for the year ended March 31, 2020 continued

(e) Tax losses carried forward:

(Rupees in lakhs)

(i) MAT credit recognised and carried forward as follows

	As at March 31, 2020		As at March 31, 2019	
	Amount	Expiry year	Amount	Expiry year
MAT	-	-	0.42	2021-22

(ii) Tax losses for which no deferred tax asset was recognised expire as follows:

	As at March 31, 2020		As at March 31, 2019	
	Amount	Expiry year	Amount	Expiry year
Business Loss	3,281.36	AY 2028-29	-	-
Unabsorbed depreciation *	9,824.20	-	9,132.88	-

(iii) MAT credit for which no MAT credit entitlement recognised expire as follows:

MAT	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	87.85	2034-35

* available for set off against any other income and can be carried forward for indefinite period as per Income Tax Act, 1961.

37. Disclosures related to government grant

The government grant/government assistance recognised are as under:

(Rupees in lakhs)

Nature of grant/assistance	Income/ expense head	For the year ended March 31, 2020	For the year ended March 31, 2019
Benefit of interest expense at concessional rate	Interest income under Other income	-	118.27
Grant for schools	Corporate social responsibility	-	-
Duty drawback on exports	Income under other operating income	-	571.33

There are no unfulfilled conditions and other contingencies attaching to government assistance that has been recognised in Statement of Profit and loss.

The Government grant relate to textile division and the same has been demerged with effect from April 01, 2019. "For detail refer note 41".

38. Leases

Operating leases

The Company's significant operating lease arrangements are in respect of premises for residential use of employees, office, stores, godown, etc. for a period of ranging from 1-5 years. These leasing arrangements, which are cancellable, are renewable at mutually agreeable terms. During the current year Company has applied Ind AS-116, refer detail disclosure in note - 4.

Future aggregate minimum lease payments under non-cancellable operating lease are as follows:

(Rupees in lakhs)

	As at March 31, 2019
Not later than one year	77.40
Later than one year and not later than five years	168.99
Later than five years	-
Total	246.39

Finance leases

A. 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 Appendix C of Ind AS 17 'Leases' 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.

Notes to the consolidated financial statements for the year ended March 31, 2020 continued

(Rupees in lakhs)

	As at March 31, 2020		As at March 31, 2019	
	Minimum lease payments	Present value of minimum lease payments	Minimum lease payments	Present value of minimum lease payments
Not later than one year	88.58	81.94	88.57	76.90
Later than one year and not later than five years	60.57	58.66	149.15	140.60
Later than five years	-	-	-	-
Total minimum lease payments	149.15	140.60	237.72	217.50
Less: amounts representing unearned finance income	8.55	-	20.22	-
Present value of minimum lease payments	140.60	140.60	217.50	217.50

39. Earnings per share

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Net profit/(loss) from continuing operations attributable to equity shareholders (Rs. In lakhs)	(2,931.49)	(4,586.61)
Net profit/(loss) from discontinued operations attributable to equity shareholders (Rs. In lakhs)	-	4,560.26
Weighted average number of equity shares in calculating Basic EPS	18,677,749	18,677,749
Weighted average number of equity shares in calculating Diluted EPS	18,677,749	18,677,749
Basic and Diluted earning per share from continuing operations in rupees (face value per equity share Rs. 10 each) (Rs.)	(15.69)	(24.57)
Basic and Diluted earning per share from discontinued operations in rupees (face value per equity share Rs. 10 each) (Rs.)	-	24.43
Basic and Diluted earning per share in rupees (face value per equity share Rs. 10 each) (Rs.)	(15.69)	(0.14)

40. 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. 6.57 lakhs (March 31, 2019: Rs. 9.16 lakhs).

41. Amalgamation and demerger

- a) The Board of Directors of the Holding Company in its meeting held on October 15, 2016 approved a Scheme of Arrangement ('the Scheme') between DCM Limited (transferor company) and DCM Nouvelle Limited (resulting company), a wholly owned subsidiary of DCM Limited, for the demerger of the Textile business of DCM Limited as per the scheme and vesting of the same with DCM Nouvelle Limited, on a going concern basis. The aforesaid Scheme was subject to approval from the concerned regulatory authorities which were not perfunctory and considered to be substantive. During the financial year 2019 -20, the Company has received the order from the National Company Law Tribunal (NCLT) on May 1, 2019 sanctioning the Scheme with the appointed date of April 1, 2019. Accordingly, the impact of the Scheme has been considered in these standalone financial statements. The scheme has become effective on May 13, 2019 on Holding Company filing the NCLT order with Registrar of Companies. As per Scheme, Holding Company has transferred net assets of Rs. 14,925.00 lakhs to the DCM Nouvelle Limited and which has resulting in reduction in securities premium account by Rs. 6,305.81 lakhs and surplus in statement of profit and loss adjusted by Rs. 8,617.54 lakhs. Surplus in statement of profit and loss is further adjusted by cancellation of investment in DCM Nouvelle Limited by Rs. 5.00 lakhs and Calls in arrears by Rs. 0.31 lakhs. The Sale consideration is discharged by Resulting Company namely DCM Nouvelle Limited by issuing 1 share of DCM Nouvelle Limited against the 1 share of DCM Limited to the shareholder of DCM Limited.

Consequently, the audited financial statements of the Company exclude the Textile Division and is disclosed as discontinued operations. Break up of discontinued operations is as under:

DCM

i. Details of assets and liabilities of discontinued operations		(Rupees in lakhs)
Particulars	As at April 01, 2019	
Net Asset Transferred		
Non-current assets		9,947.46
Current Asset		25,810.89
Total assets transferred (A)		35,758.35
Non-current Liabilities		5,368.10
Current Liabilities		15,465.25
Total Liabilities transferred (B)		20,833.35
Net Asset Transferred (A - B)		14,925.00
Sales consideration		
Issuance of equity share to shareholders of DCM limited by resulting company of face		14,925.00
ii. Details of income and expense of discontinued operations		
Particulars	For the year ended on March 31, 2019	
Total Income		67,538.61
Total Expenses		62,897.86
Profit before tax		4,640.75
Profit after tax		4,560.70
Other comprehensive income		(47.06)
Total comprehensive income		4,513.64
Earning per share (Face value Rs. 10 per share)		24.43
iii. Cash flow of discontinued operations are as under:		
Particulars	For the year ended on March 31, 2019	
Cash flow from operating activities		6,185.81
Cash flow from investing activities		(1,162.74)
Cash flow from financing activities		(4,027.57)
Net cash flows [increase/(decrease)] during the year (1+2+3)		995.50

- b) 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 above Scheme has been filed with stock exchanges for seeking their no-objection. The Company has received observation letter from the Stock Exchanges enabling the Company to file the Scheme with H'ble National Company Law Tribunal for seeking their approval. Copy of the scheme is available on the Company's website.

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.

42. In accordance with the Scheme of Amalgamation of Crescita Enterprises Private Limited ('the Transferor company') with the Company, as sanctioned by the National Company Law Tribunal vide its order dated January 08, 2019 which became effective on January 30, 2019 on filing of the certified copy of the order with the Registrar of Companies, the assets and liabilities of the transferor company were transferred to and vested in the Company with effect from the appointed date of March 31, 2017. Consequently 48.35% shares of the Company which were held by the Transferor Company have been cancelled and the Company has issued and allotted same number of equity shares to the shareholders of the Transferor Company in proportion to the shares held by them in the Transferor Company at record date. The impact of this scheme on the audited consolidated financial statements for the year is given below:

Notes to the consolidated financial statements for the year ended March 31, 2020 continued

Assets taken over 2018-19	(Rupees in lakhs)
Investment in equity shares of DCM Limited	1,723.18
Cash and cash equivalents	0.37
Advance Income tax	0.71
Total assets	1,724.26
Liabilities and reserves taken over	
Provision for tax	0.65
Capital reserve (refer note 18)	1,723.18
Profit and loss (Dr. balance)	(0.07)
	1,723.76
Adjustment in other equity	
Transfer of capital reserve in the scheme of Amalgamation	1,723.18
Less: Adjustment on cancellation of investment in shares of the Company acquired in the scheme of Amalgamation	(820.13)
Less: Adjustment on issuance of new equity shares to the shareholders of Crescita Enterprises Private Limited	(902.55)
Remaining Balance of capital reserve transferred in the scheme of Amalgamation	0.50
Net assets acquired in the scheme of amalgamation	0.43
Debit balance of Profit and loss adjusted in surplus in Statement of Profit and Loss	0.07
	0.50

43. The Group has set up a solar power plant at its textile division at Hisar with a cost of Rs. 471.60 lakhs during the year ended March 31, 2017. Further an addition of Rs. Nil (March 2019 : Rs. 368.21 lakhs) have been made during the year. A term loan of Rs. 325 lakhs is taken for this purpose in earlier years. The Holding Company was eligible for tax holiday under section 80IA up to 2030-31 (to claim deduction in any 10 consecutive assessment year out of 15 year starting from the year in which operation begins).

However Group has demerged its textile division w.e.f. April 01, 2019. Hence this power plant along with its eligibility of tax holiday transferred to DCM Nouvelle Limited as stated in note 41 (a).

44. Capital advances includes Rs. 420.00 lakhs (March 31, 2019: Rs. 870.00 lakhs) 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 year, the Group has received back a part advance of Rs. 450.00 lakhs as decided in the arbitration proceedings during the year and the management is fully confident that the remaining advance paid to acquire the property is good and fully recoverable.
45. In the previous years, Groups claim for the refund of an Inter Corporate Deposit amounting to Rs. 100 lakhs against a body corporate was settled by the body corporate by issuing, in terms of an arbitration award, 0% non-cumulative, non-voting, redeemable preference shares of Rs. 100 each to the Group, redeemable within 20 years. The management is confident that the investment (Fare value Rs. 74.82 lakhs at March 31, 2020 and Rs. 84.82 lakhs at March 31, 2019) acquired by the Group in preference shares of the body corporate is good and fully recoverable. The Group has already received Rs. 20.00 lakhs in the current year and balance Rs. 80.00 Lakhs to be received in October 2020.

46. 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 segments' 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 Group has identified five 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:

Reportable segments	Operations
Textiles	Yarn manufacturing
IT services	IT Infrastructure services
Real estate	Development at the Company's real estate site at Bara Hindu Rao / Kishan Ganj, Delhi.
Grey iron casting	Grey iron casting
Others	Others

Notes to the consolidated financial statements for the year ended March 31, 2020 continued

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.

(Rupees in lakhs)

Particulars	Reportable Segment										Continuing operations		Discontinued operations (refer note 41)		DCM Limited	
	Real Estate		Grey iron casting		IT Services		Others		Unallocated		Total		Textile		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Segment revenue																
- External revenues	851.20	-	12,715.97	38,716.63	4,868.02	4,378.83	-	-	-	-	18,435.19	43,095.46	-	61,680.77	18,435.19	104,776.23
- Other operating revenue	-	-	174.04	158.99	-	-	-	-	-	-	174.04	158.99	-	5,068.86	174.04	5,227.85
Total segment revenue	851.20	-	12,890.01	38,875.62	4,868.02	4,378.83	-	-	-	-	18,609.23	43,254.45	-	66,749.63	18,609.23	110,004.08
Segment profit/(loss) before tax	595.84	-	(3,672.88)	(1,841.17)	368.18	148.10	(28.65)	(29.59)	-	-	(2,737.51)	(1,722.66)	-	5,295.53	(2,737.51)	3,572.87
Unallocated corporate expenses/ income (net of unallocated income/ expenses)	-	-	-	-	-	-	-	-	1,459.82	(1,453.41)	1,459.82	(1,453.41)	-	630.80	1,459.82	(822.61)
Interest income	-	-	-	-	-	-	-	-	77.59	127.11	77.59	127.11	-	157.19	77.59	284.30
Profit before finance costs and tax	-	-	-	-	-	-	-	-	-	-	(1,200.10)	(3,048.96)	-	6,083.52	(1,200.10)	3,034.56
Finance costs	-	-	-	-	-	-	-	-	1,099.38	1,312.43	1,099.38	1,312.43	-	1,442.77	1,099.38	2,755.20
Profit/(loss) before tax and share of profit/(loss) of associates	-	-	-	-	-	-	-	-	-	-	(2,299.48)	(4,361.39)	-	4,640.75	(2,299.48)	279.36
Share of loss of equity accounted investee	-	-	-	-	-	-	-	-	(446.79)	(224.74)	(446.79)	(224.74)	-	-	(446.79)	(224.74)
Profit/(loss) before tax	-	-	-	-	-	-	-	-	-	-	(2,746.27)	(4,586.13)	-	4,640.75	(2,746.27)	54.62
Provision for taxation	-	-	-	-	-	-	-	-	185.22	0.48	185.22	0.48	-	80.49	185.22	80.97
Profit/(loss) after taxation	-	-	-	-	-	-	-	-	-	-	(2,484.70)	(4,361.87)	-	4,560.26	(2,931.49)	(26.35)
Depreciation and amortization	-	-	1,138.98	1,670.74	85.69	24.58	0.02	0.03	38.16	47.78	1,262.85	1,743.13	-	1,700.72	1,262.85	3,443.85
Capital expenditure during the year	-	-	23.54	331.74	17.93	38.58	-	-	23.12	31.64	64.61	401.96	-	520.35	64.61	922.31
Non cash expense other than depreciation	-	-	0.06	337.15	25.04	6.33	-	-	15.17	53.98	40.27	397.46	-	89.69	40.27	487.15

(Rupees in lakhs)

Particulars	Reportable Segment										Continuing operations		Discontinued operations (refer note 41)		DCM Limited	
	Real Estate		Grey iron casting		IT Services		Others		Unallocated		Total		Textile		Total	
	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19	2019-20	2018-19
Segment assets	12.00	25.00	7,144.15	14,043.23	1,839.16	2,092.39	46.54	362.66	-	-	9,041.85	16,523.28	-	35,758.35	9,041.85	52,281.63
Assets held for sale	-	-	207.55	212.53	-	-	-	-	-	-	207.55	212.53	-	-	207.55	212.53
Unallocated assets	-	-	-	-	-	-	-	-	2,971.98	4,611.80	2,971.98	4,611.80	-	-	2,971.98	4,611.80
Total assets	12.00	25.00	7,351.70	14,255.76	1,839.16	2,092.39	46.54	362.66	2,971.98	4,611.80	12,221.38	21,347.61	-	35,758.35	12,221.38	57,105.96
Segment liabilities	23.32	23.62	7,837.97	9,592.12	784.88	495.33	5.17	6.23	885.51	1,158.67	9,536.85	11,275.97	-	3,225.57	9,536.85	14,501.54
Share capital and reserves	-	-	-	-	-	-	-	-	(194.99)	17,664.33	(194.99)	17,664.33	-	-	(194.99)	17,664.33
Loan funds	-	-	2,809.39	5,161.40	14.39	94.38	-	-	55.74	2,076.53	2,879.52	7,332.31	-	17,607.78	2,879.52	24,940.09
Total liabilities	23.32	23.62	10,647.36	14,753.52	799.27	589.71	5.17	6.23	746.26	20,899.53	12,221.38	36,272.61	-	20,833.35	12,221.38	57,105.96

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 lakhs)

	For the year ended March 31, 2020	For the year ended March 31, 2019
India (a)	14,423.38	65,240.47
- Continuing operation	14,423.38	39,545.14
- Discontinued operation	-	25,695.33
Outside India (b)	4,185.85	44,763.61
- Continuing operation	4,185.85	3,709.31
- Discontinued operation	-	-
China	-	26,786.58
Other countries	-	14,267.72
Total (a+b)	18,609.23	110,004.08

ii. Non current assets*

(Rupees in lakhs)

	As At March 31, 2020	As At March 31, 2019
India	7,015.91	19,275.75
Outside India	2.01	4.21
Total	7,017.92	19,279.96

* 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, 2020 and March 31, 2019.

47. Contingent liabilities, contingent assets and commitments**a) Commitments**

(Rupees in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Capital commitments	25.08	1,209.65

b) Contingent liabilities not provided for:

(Rupees in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Claims not acknowledged as debts: *		
- Excise claims	0.50	0.50
- Sales tax matters/ VAT	495.38	495.38
- Income-tax matters	155.35	139.24
- Customs duty	12.55	12.55
- Employees' claims (to the extent ascertained)	64.70	59.15
- Property tax	283.67	283.67
- Others	122.38	83.03

* 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. 18,57,391 (Refer Note 16)

Notes to the consolidated financial statements for the year ended March 31, 2020 continued

- (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, 2020 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 lakhs)	Amount paid under protest (Rs. in lakhs)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income tax	19.54	-	Financial Year 2016-17	CIT (Appeals)
Customs Act, 1962	Custom duty	12.55	-	1988-89	Commissioner of customs (Appeals)
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 2010-11	
		130.25	35.09	Financial Year 2009-10	

* 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 Group, being no longer due for payment, have not been considered.

- (ii) The following matters which have been excluded from the above table have been decided in favour of the Group, although the concerned regulatory authority has preferred an appeal at a higher level:

Name of the statute	Nature of dues	Amount involved (Rs. in lakhs)	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 refers back to AO
		66.08	Financial Year 2011-12	High court
		51.37	Financial Year 2012-13	Income tax appellate tribunal
		48.33	Financial Year 2013-14	Income tax appellate tribunal
		36.11	Financial Year 2015-16	Income tax appellate tribunal

- (iii) The Group 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 Group will evaluate its position and act, as clarity emerges.

48. Employee benefits

A Defined contribution plans

Contributions to defined contribution plans charged off for the year are as under:

Particulars	(Rupees in lakhs)	
	For the year ended March 31, 2020	For the year ended March 31, 2019
Group's contribution to provident fund	201.09	252.76
Group's contribution to superannuation fund	18.82	31.94
Group's contribution to employees' state insurance	21.64	45.50
Group's contribution to social security	117.14	125.89
Group's contribution to NPS	4.39	2.62
Sub-total	363.08	458.71
Company's contribution (discontinued operations) (refer note 41(a))	-	301.95
Total	363.08	760.66

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. 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 lakhs)

Particulars	As at March 31, 2020	As at April 1, 2019
Defined benefit liability- Gratuity	1,067.83	1,838.01
Total employee benefit liabilities		
Non current	896.48	1,501.66
Current	171.35	336.35
Total	1,067.83	1,838.01

For details about the related employee benefit expenses, refer note 32.

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	For the year ended March 31, 2020	For the year ended March 31, 2019
Balance at the beginning of the year	1,838.01	1,859.82
Current service cost	64.75	132.79
Interest cost	105.10	139.49
Actuarial (gains) losses recognised in other comprehensive income/(expense)	42.29	20.47
Benefits paid	(418.41)	(314.56)
Transfer under Scheme of Arrangement	(563.91)	-
Balance at the end of the year	1,067.83	1,838.01
Non-current	896.48	1,501.66
Current	171.35	336.35

ii) Expense recognized in profit and loss

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019*
Current service cost	64.75	132.79
Interest cost	105.10	139.49
Net cost	169.85	272.28

* Includes current service cost, interest cost and actuarial gain/(loss) pertains to discontinuing operations

iii) Remeasurements recognized in other comprehensive income/(expense)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019*
Actuarial gain/(loss) on defined benefit obligation	(42.29)	(20.47)
	(42.29)	(20.47)

* Includes current service cost, interest cost and actuarial gain/(loss) pertains to discontinuing operations

iv) Actuarial assumptions

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

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assumptions		
Discount rate	6.79%	7.50%
Future salary growth	6.00%	6.00%
Retirement age	58/60 years	58/60 years
Mortality table	IALM (2012-14)	IALM (2006-08) ultimate
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, 2020, the weighted average duration of the defined benefit obligation was 11.95 - 12.60 year (March 31, 2019 : 11.96-19.51 year)

Expected contributions to post-employment benefit plans for the year ending March 31, 2020 are Rs. 115.58 lakhs.

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 lakhs)

Particulars	As as March 31, 2020		As at March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (1%)	(37.37)	40.25	(123.42)	133.06
Future salary growth (1%)	40.36	(37.82)	134.36	(125.67)

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 lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Year 1	171.35	336.34
Year 2	107.03	26.48
Year 3	126.65	144.64
Year 4	85.34	137.81
Year 5	64.56	134.86
Next 6	33.24	192.81
Next to 6 years	479.66	865.07

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.

49. 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**Entity having significant control over the Company**

Crescita Enterprises Private Limited (upto March 31, 2017 i.e. appointed date - Refer note 42)

Other related parties with whom transaction have taken place during the year**Joint venture**

Purearth Infrastructure Limited

Key management personnel and/or individuals having direct or indirect control or significant influence, and their relatives:

Dr. Vinay Bharat Ram – Chairman (Managing Director upto September 30, 2019)

Mr. Hemant Bharat Ram – President (Textiles) (upto April 30, 2019)

Mr. Sumant Bharat Ram – Chief Executive and Financial Officer (Upto March 31, 2019)

Mr. Jitendra Tuli – Managing Director (w.e.f. October 01, 2019)

Mr. Ashwani Singhal – Chief Financial Officer (w.e.f. April 01, 2019)

Mr. Sushil Kapoor - Executive Director (Engineering Business) - (from January 15, 2018 to September 30, 2019)

Mr. Dinesh Dhiman - Executive Director (Engineering Operations)

Mr. Varun Sarin - Chief of Operation and Finance (IT Division)- (Upto 15-09-2019)

Mr. Rakesh Kumar Goel - CEO (Textile Division) - (upto March 31, 2019)

Mr. Yadvinder Goyal - Company Secretary (upto September 06, 2019)

Mr. Vimal Prasad Gupta - Company Secretary (w.e.f. October 21, 2019)

Entities where key management personnel have significant influence

Juhi Developers Private Limited

Teak Farms Private Limited

DCM Nouvelle Limited (w.e.f. April 1, 2019)

B. Transactions with related parties:**(Rupees in lakhs)**

Particulars	Joint Venture **		Others*	
	For the year ended March 31, 2020	For the year ended March 31, 2019	For the year ended March 31, 2020	For the year ended March 31, 2019
Purearth Infrastructure Limited				
Expense recovered (net)	20.74	53.93	-	-
DCM Nouvelle Limited				
Expense reimbursed (net)	-	-	414.92	-
Sale of support services	-	-	72.90	-
Sale of Fixed Assets	-	-	2,201.50	-
Net assets transferred as per scheme (refer note 41(a))	-	-	14,925.00	-
Cresita Enterprises Private Limited				
Net assets taken over as per scheme (refer note 42)			-	1,723.61

Transactions with key management personnel

(Rupees in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Compensation of key management personnel		
Salaries and bonus including contributions made to provident fund		
Dr. Vinay Bharat Ram	75.55	150.04
Mr. Hemant Bharat Ram	19.99	442.84
Mr. Sumant Bharat Ram	-	205.56
Mr. Sushil Kapoor	54.90	132.24
Mr. Dinesh Dhiman	40.08	37.98
Mr. Varun Sarin	31.05	66.85
Mr. Rakesh Kumar Goel	-	123.01
Mr. Yadvinder Goyal	14.35	22.58
Mr. Vimal Prasad Gupta	9.01	-
Mr. Ashwani Singhal	61.02	-
Post-employment defined benefit plan		
Gratuity		
Mr. Hemant Bharat Ram	-	15.93
Mr. Sumant Bharat Ram	-	-
Mr. Dinesh Dhiman	0.77	0.83
Mr. Varun Sarin	-	1.29
Mr. Rakesh Kumar Goel	-	17.53
Mr. Vimal Prasad Gupta	0.19	-
Mr. Yadvinder Goyal	-	0.52
Other long term defined benefit plan		
Compensated absences		
Mr. Hemant Bharat Ram	-	11.86
Mr. Sumant Bharat Ram	-	-
Mr. Dinesh Dhiman	1.03	0.32
Mr. Varun Sarin	-	0.41
Mr. Rakesh Kumar Goel	-	3.23
Mr. Vimal Prasad Gupta	0.25	-
Mr. Yadvinder Goyal	-	0.64
Total compensation paid to key management personnel	308.19	1,233.66

Balances with related parties

(Rupees in lakhs)

Particulars	Joint Venture **		Others*	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Advance given for purchase of rights in flats				
Purearth Infrastructure Limited	47.21	587.37	-	-
Guarantee taken				
Mr. Sumant Bharat Ram	-	-	-	2,000
Balances recoverable / (Payable)(net)				
Purearth Infrastructure Limited	7.64	-	-	-
Dr. Vinay Bharat Ram	-	-	-	(4.02)
Mr. Hemant Bharat Ram	-	-	-	(130.42)
Mr. Sumant Bharat Ram	-	-	-	(37.65)
Mr. Sushil Kapoor	-	-	(6.04)	(25.04)
Mr. Dinesh Dhiman	-	-	(5.03)	(2.69)
Mr. Varun Sarin	-	-	-	(2.75)
Mr. Rakesh Kumar Goel	-	-	-	(18.41)
Mr. Yadvinder Goyal	-	-	-	(1.43)
Mr. Vimal Prasad Gupta	-	-	-	-
Mr. Ashwani Singhal	-	-	(3.01)	-

* 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

50. Research and development expenditure

The Holding Company is claiming weighted tax deductions on eligible research and development expenditure u/s 35(2AB) of the Income Tax Act, 1961 equivalent to 150% of such expenditure based on the approval received from Department of Scientific and Industrial Research (DSIR) w.e.f. May 28, 2015 and further renewed upto March 31, 2021 on June 26, 2018. The details of such expenditure are as follows:

(Rupees in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Capital expenditure		
Office equipment	-	0.73
Plant and machinery	-	-
Computers	10.50	0.10
Revenue expenditure		
Salaries, wages and compensated absences	54.98	138.39
Contribution to provident and other funds	2.01	4.28
Travelling and conveyance	2.55	4.68
Others	0.29	0.94
Development expenditure	72.12	64.74
Total	142.45	213.86

51. 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, 2019 - 39.02 acres) and land and building located in Rail Mazra Village, Tehsil Balachaur, Distt Shaheed Bhagat Singh Nagar, Punjab measuring 3.79 acres (March 31, 2019 - 4.02 acres) for such consideration and on such terms and conditions as may be deemed fit in the best interest of the Group. During the year land of 0.24 acres compulsory acquired by Govt for construction of road and gain of Rs 36.60 lakhs is recognised in statement of profit & loss account under head "other income". All the assets held for sale are pledged against the short term borrowing of the Holding Company (Refer note 22 (iv)).

52. Corporate Social Responsibility (CSR)

(Rupees in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Gross amount required to be spent	-	-
Amount spent (in cash):		
Promotion of education	-	12.17
Others	-	-
	-	12.17

53. 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 on March 31, 2020

(Rupees in lakhs)

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Investments							
Preference shares	74.82	-	-	74.82	-	-	74.82
Loans *	-	-	199.56	199.56	-	-	199.56
Other financial assets *	-	-	67.52	67.52	-	-	67.52
Current							
Trade receivables *	-	-	1,015.04	1,015.04	-	-	1,015.04
Cash and cash equivalents *	-	-	486.02	486.02	-	486.02	-
Balances other than above *	-	-	136.43	136.43	-	136.43	-
Loans *	-	-	27.28	27.28	-	-	27.28
Other financial assets *	-	-	209.07	209.07	-	-	209.07
Total	74.82	-	2,140.92	2,215.74	-	622.45	1,593.29
Financial liabilities							
Non-current							
Borrowings #	-	-	640.52	640.52	-	640.52	-
Other financial liabilities *	-	-	528.17	528.17	-	-	528.17
Current							
Borrowings #	-	-	2,239.00	2,239.00	-	2,239.00	-
Trade payables *	-	-	5,674.62	5,674.62	-	-	5,674.62
Other current financial liabilities *	-	-	1,496.47	1,496.47	-	-	1,496.47
Total	-	-	10,578.78	10,578.78	-	2,879.52	7,699.26

ii. As on March 31, 2019

(Rupees in lakhs)

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Investments							
Preference shares	84.82	-	-	84.82	-	-	84.82
Loans *	-	-	1,030.93	1,030.93	-	-	1,030.93
Other financial assets *	-	-	140.60	140.60	-	-	140.60
Current							
Trade receivables *	-	-	9,823.05	9,823.05	-	-	9,823.05
Cash and cash equivalents *	-	-	1,409.22	1,409.22	-	1,409.22	-
Balances other than above *	-	-	254.20	254.20	-	254.20	-
Loans *	-	-	48.47	48.47	-	-	48.47
Other financial assets *	-	-	191.94	191.94	-	-	191.94
Total	84.82	-	12,898.41	12,983.23	-	1,663.42	11,319.81
Financial liabilities							
Non-current							
Borrowings #	-	-	9,703.14	9,703.14	-	9,703.14	-
Other financial liabilities *	-	-	654.28	654.28	-	-	654.28
Current							
Borrowings #	-	-	15,236.95	15,236.95	-	15,236.95	-
Trade payables *	-	-	8,011.26	8,011.26	-	-	8,011.26
Other current financial liabilities *	-	-	2,034.82	2,034.82	-	-	2,034.82
Total	-	-	35,640.45	35,640.45	-	24,940.09	10,700.36

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, 2020 and March 31, 2019.

Reconciliation of Level 3 fair value measurement:

Particulars	For the year ended	
	31-Mar-20	31-Mar-19
Opening balance	84.82	76.32
Less : Realised during the year	20.00	-
	64.82	76.32
Gain recognised in other comprehensive income	10.00	8.50
Closing balance	74.82	84.82

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 Company 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

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the balance sheet

(Rupees in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
Investments	747.50	1,204.29
Trade receivables (net of allowances for doubtful receivables)	1,015.04	9,823.05
Cash and cash equivalents	486.02	1,409.22
Balances other than cash and cash equivalents	136.43	254.20
Loans	226.84	1,079.40
Other financial assets	276.59	332.54

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 China. 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.

The Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and the rates as given in the provision matrix. The provision matrix at the end of the reporting period is as follows.

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 lakhs)

Particulars	Gross carrying amount	
	As at March 31, 2020	As at March 31, 2019
Not due	855.53	2,906.62
1-90 days past due	71.21	477.92
91 to 180 days past due	17.67	29.77
More than 180 days past due #	97.37	186.90
Other receivables having negligible credit risk	-	6,403.60
Total	1,041.78	10,004.81

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.

Movement in the allowance for impairment in respect of trade receivables: (Rupees in lakhs)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Balance at the beginning	181.76	74.27
Add: Impairment loss recognised / (reversed)	6.17	111.00
Impairment loss (transfer) on Demerger/ Slump Sale	(115.26)	-
Less: Amount written off	(42.71)	(3.51)
Less: Amount reclassified	(3.22)	-
Balance at the end	26.74	181.76

(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 55.

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. Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

(Rupees in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
From banks #	-	11219.79
From others	-	-

Includes Rs. Nil (previous year Rs. 10,891.95 lakhs) related to textile business of the Company. refer note 41 (a).

II. Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted:

(Rupees in lakhs)

As at March 31, 2020	Carrying amount	Contractual cash flows			
		Less than one year	Between one year and five years	More than 5 years	Total
Non-current liabilities					
Borrowings *	640.52	538.55	101.97	-	640.52
Other financial liabilities	528.17	-	528.17	-	528.17
Current liabilities					
Borrowings	2,239.00	2,239.00	-	-	2,239.00
Trade payables	5,674.62	5,674.62	-	-	5,674.62
Other financial liabilities *	1,496.47	1,496.47	-	-	1,496.47
Total	10,578.78	9,948.64	630.14	-	10,578.78

b. Financial risk management (continued)

(Rupees in lakhs)

As at March 31, 2019	Carrying amount	Contractual cash flows			
		Less than one year	Between one year and five years	More than 5 years	Total
Non-current liabilities					
Borrowings *	9,703.14	4,657.22	6,801.95	161.00	11,620.17
Other financial liabilities	654.28	-	16.70	637.58	654.28
Current liabilities					
Borrowings	15,236.95	15,236.95	-	-	15,236.95
Trade payables	8,011.26	8,011.26	-	-	8,011.26
Other financial liabilities *	2,034.82	2,034.82	-	-	2,034.82
Total	35,640.45	29,940.25	6,818.65	798.58	37,557.48

* 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, 2020 and March 31, 2019 are as below:

(Rupees in lakhs)

Particulars	As at March 31, 2020	As at March 31, 2019
	USD	USD
Financial assets		
Trade receivables	787.04	2,764.21
Cash and cash equivalent	211.33	307.73
Loans and advances	3.31	22.00
Other financial liabilities	65.00	-
	1,066.68	3,093.94
Financial liabilities		
Borrowings	-	1,136.58
Trade payables	100.87	175.39
Other current financial liabilities	110.41	74.39
	211.28	1,386.36

b. Financial risk management (continued)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at March 31, 2020 (previous year ended as on March 31, 2019) would have affected the measurement of financial instruments denominated in functional currency and affected equity and profit or loss by the amounts shown below. This analysis is performed on foreign currency denominated monetary financial assets and financial liabilities outstanding as at the year end. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

(Rupees in lakhs)

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, 2020				
USD	8.56	8.56	(6.82)	6.82
	8.56	8.56	(6.82)	6.82
For the year ended March 31, 2019				
USD	(17.08)	17.08	(13.56)	13.56
	(17.08)	17.08	(13.56)	13.56

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 lakhs)

Variable-rate instruments	As at March 31, 2020	As at March 31, 2019
Term loans from banks (Non current)	101.97	5,994.00
Loans repayable on demand from banks	2,239.00	15,025.60
Loans repayable on demand from others	-	211.35
Current maturities of long term borrowings	538.55	3,709.14
Total	2,879.52	24,940.09

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 lakhs)

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, 2020	(61.97)	61.97	(61.97)	61.97
For the year ended March 31, 2019	(275.38)	275.38	(218.68)	218.68

54. 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).

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 parent).

Particulars	As at March 31, 2020	As at March 31, 2019
Borrowings	2,879.52	24,940.09
Less : Cash and bank balances	622.45	1,663.42
Adjusted net debt (A)	2,257.07	23,276.67
Total equity (B)	(194.99)	17,664.33
Adjusted net debt to total equity ratio (A/B)	(11.58)	1.32

55. Due to continued situation of industrial unrest in Engineering Business Undertaking of the Group coupled with automotive recession, the Group is currently facing liquidity issues towards clearing of statutory dues, vendor payments and borrowings pertaining to its Engineering Division. This has significantly decreased the Group's net worth and the current liabilities exceed the current assets by Rs. 7,057.68 lakh as at March 31, 2020. The Scheme of Arrangement referred in note 41 (c) has been made with a view to restore profitability and revive the said Engineering Business 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 Undertaking to revive the 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, the Group will be able to continue its operation on a going concern basis. Accordingly, the financial statements of the Group have been prepared on a going concern basis.

56. As stated in note 55 above, the Group/ 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 977.53 lakhs to these banks as on the date of approval of these financial statements.
57. 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. Based on the legal advice received by the Holding 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 to March 31 2020 aggregating to Rs. 889.91 lakhs.
58. DCM Ltd., Holding Company's is listed on Stock Exchanges (BSE/NSE) in India. Holding Company has prepared standalone financial statement as required under Companies Act, 2013 and listing requirements. The standalone financial statement is available on Holding Company's website for public issue.
59. The Ministry of Home Affairs, Government of India on March 24, 2020 notified the first ever nationwide lockdown in India to contain the outbreak of Covid-19 pandemic. The Government has started to lift the lockdown in phases from the beginning of May 2020.

In view of the outbreak of the pandemic, the Company undertook timely and essential measures to ensure the safety and well-being of its employees. The office-based employees were allowed to work from home by providing adequate digital and other assistance. The Company observed all the Government advisories and guidelines thoroughly and in good faith.

The Management has been closely reviewing the impact of COVID-19 on the Group. Due to continuation of lockout of Engineering Business Unit (Business Undertaking), declared on October 22, 2019, the operation of the said Business Unit remained suspended during the lock down period on account of COVID-19. Based on current indicators of future economic conditions, the Group has concluded that the impact of COVID 19 is not material on long term basis on the future potential of its said Engineering Business Unit and Real Estate Operation. Due to the nature of the pandemic, the Group will continue to monitor any material changes on the future economic conditions and relating to its Businesses in future periods.

60. The financial statements of the Group for the year ended March 31, 2019 have been audited by predecessor auditor (B S R & Co LLP, Chartered Accountants) having firm registration number 101248W/W-100022) who have issued an unmodified audit opinion on the financial statements for the year ended March 31, 2019 vide their report dated August 12, 2019.

Notes to the consolidated financial statements for the year ended March 31, 2020 continued

61. 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.

62. Interests in other entities

(a) Subsidiaries/ Special purpose entity

The group's subsidiaries and controlled trust (treated as subsidiary for consolidation) for the year ended March 31, 2020 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 2020	31 March 2019	31 March 2020	31 March 2019
DCM Finance & Leasing Limited	India	100%	100%	-	-
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 Data Systems Limited	India	100%	100%	-	-
DCM Nouvelle Limited	India	-	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 Textiles Limited	This mainly includes business of ginners, weavers, spinners, dyers, manufactures, import, export in all kinds of yarn and cloth.
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 Data Systems Limited	The company is engaged in the business of providing IT and allied services .
DCM Nouvelle Limited (upto March 31, 2019)	This mainly includes business of ginners, weavers, spinners, dyers, manufactures, importers, exporters in all kinds of yarn and cloth.
DCM Engineering Products Educational Society	The trust (Special purpose entity) is engaged in providing educational services to children of its staff and workers mainly.

(b) Joint venture

(Rupees in lakhs)

Name of entity	Place of business	% of ownership interest	Accounting method	Carrying amount	
				31 March 2020	31 March 2019
Purearth Infrastructure Limited	New Delhi	16.56%	Equity	672.68	1,119.47
Total equity accounted investments				672.68	1,119.47

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.

Notes to the consolidated financial statements for the year ended March 31, 2020 continued

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 lakhs)

	As at 31 March 2020	As at 31 March 2019
Percentage ownership	16.56%	16.56%
Non-current assets	4,663.45	4,010.11
Current assets (including cash and cash equivalent March 31, 2020:Rs 99.36 lakhs, March 31, 2019:Rs 809.97 lakhs)	54,099.75	52,092.16
Non-current liabilities (including non-current financial liabilities other than trade and other payables and provision March 31, 2020 : Rs 13,799.55 lakhs, March 31, 2019 : Rs 15,310.33 lakhs)	14,387.11	16,162.06
Current liabilities (including current financial liabilities other than trade and other payables and provision March 31, 2020 : Rs 2,339.33 lakhs, March 31, 2019 : Rs 3,441.12 lakhs)	37,092.24	29,954.24
Net assets	7,283.85	9,985.97
Group's share in net assets	1,206.21	1,653.68

(Rupees in lakhs)

	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue	632.52	(206.29)
Depreciation and amortisation	24.62	19.26
Finance costs	2,038.34	2,237.97
Income tax expense	(604.89)	(1,889.24)
Profit/(loss)	(2,699.05)	(1,816.85)
Other comprehensive income	(3.07)	(0.35)
Total comprehensive income	(2,702.12)	(1,817.20)
Group's share of profit	(446.79)	(224.74)
Group's share of total comprehensive income	(446.79)	(224.74)
Reconciliation to carrying amounts of investments		
Investment in joint venture	1,119.47	1,344.21
Profit /(loss) for the year	(2,702.12)	(1,817.20)
Group's share in the profit/(loss) (after adjustment for unrealised gain in inventories)	(446.79)	(224.74)
Carrying amount of investment in the joint venture	672.68	1,119.47

63. Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary and Joint venture.

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 Rs./Lakhs	As % of consolidated profit or loss	Amount Rs./Lakhs	As % of consolidated other comprehensive income	Amount Rs./Lakhs	As % of consolidated total comprehensive income	Amount Rs./Lakhs
Parent company:								
DCM Limited								
March 31, 2020	-728.42%	1,420.34	104.85%	(3,073.77)	-6834.62%	(35.54)	106.08%	(3,109.31)
March 31, 2019	110.16%	19,459.65	-757.61%	199.63	100.00%	28.16	12585.08%	227.79
Subsidiaries:								
DCM Data Systems Limited								
March 31, 2020	-2.47%	4.81	0.01%	(0.19)	0.00%	-	0.01%	(0.19)
March 31, 2019	0.03%	5.00	0.19%	(0.05)	0.00%	-	-2.76%	(0.05)
DCM Finance & Leasing Limited								
March 31, 2020	-5.80%	11.31	0.01%	(0.29)	0.00%	-	0.01%	(0.29)
March 31, 2019	0.07%	11.70	-0.80%	0.21	0.00%	-	11.60%	0.21
DCM Nouvelle Limited								
March 31, 2020	-	-	-	-	-	-	-	-
March 31, 2019	0.02%	3.35	0.91%	(0.24)	0.00%	-	-13.26%	(0.24)
DCM Infotech Limited (Formerly DCM Realty Investment & Consulting Limited)								
March 31, 2020	-533.30%	1,039.89	-23.65%	693.26	6934.62%	36.06	-24.88%	729.32
March 31, 2019	1.76%	310.57	1.33%	(0.35)	0.00%	-	-19.34%	(0.35)
DCM Textiles Limited								
March 31, 2020	-2.98%	5.82	0.01%	(0.17)	0.00%	-	0.01%	(0.17)
March 31, 2019	0.03%	6.00	0.00%	-	0.00%	-	0.00%	-
DCM Engineering Limited (Formerly DCM Tools & Dies Limited)								
March 31, 2020	-3.31%	6.45	0.01%	(0.32)	0.00%	-	0.01%	(0.32)
March 31, 2019	0.04%	6.78	-0.11%	0.03	0.00%	-	1.66%	0.03
DCM Realty and Infrastructure Limited								
March 31, 2020	-1.93%	3.76	0.01%	(0.21)	0.00%	-	0.01%	(0.21)
March 31, 2019	0.02%	3.97	0.99%	(0.26)	0.00%	-	-14.36%	(0.26)

Notes to the consolidated financial statements for the year ended March 31, 2020 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 Rs./Lakhs	As % of consolidated profit or loss	Amount Rs./Lakhs	As % of consolidated other comprehensive income	Amount Rs./Lakhs	As % of consolidated total comprehensive income	Amount Rs./Lakhs
DCM Engineering Products Educational Society								
March 31, 2020	-4.67%	9.11	0.00%	0.05	0.00%	-	0.00%	0.05
March 31, 2019	0.05%	9.06	0.19%	(0.05)	0.00%	-	-2.76%	(0.05)
Elimination on consolidation								
March 31, 2020	1382.88%	(2,696.48)	3.52%	(103.06)	0.00%	-	3.52%	(103.06)
March 31, 2019	-12.18%	(2,151.75)	2.01%	(0.53)	0.00%	-	-29.28%	(0.53)
NCI in all subsidiaries				-		-		-
Joint venture (Investments as per Equity Method)								
Purearth Infrastructure Limited								
March 31, 2020	-344.98%	672.68	15.24%	(446.79)	0.00%	-	15.24%	(446.79)
March 31, 2019	6.34%	1,119.47	852.90%	(224.74)	0.00%	-	-12416.57%	(224.74)
Total								
March 31, 2020		(194.99)		(2,931.49)		0.52		(2,930.97)
March 31, 2019		17,664.33		(26.35)		28.16		1.81

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

As per our report of even date attached

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

Dr. Vinay Bharat Ram
Chairman
DIN: 00052826

Jitendra Tuli
Managing Director
DIN: 00272930

Bipin Maira
Director
DIN: 05127804

Place : New Delhi
Date : June 26, 2020

Ashwani Singhal
Chief Financial Officer

Vimal Prasad Gupta
Company Secretary

Place : New Delhi
Date : June 26, 2020

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures (AOC-1)
Part "A": Subsidiaries

Annexure-"A"

(Rupees in lakhs)

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 Textiles Limited	5.00	0.82	5.93	0.11	-	-	(0.13)	0.05	(0.18)	-	100.00%
2	DCM Infotech Limited (Formerly DCM Realty Investment & Consulting Limited)	255.01	784.88	1,839.16	799.27	-	5,881.73	1,078.68	241.35	837.33	-	100.00%
3	DCM Engineering Limited (Formerly DCM Tools & Dies Limited)	5.00	1.45	6.60	0.15	-	-	(0.24)	0.08	(0.32)	-	100.00%
4	DCM Finance & Leasing Limited	5.00	6.31	11.52	0.21	-	-	(0.17)	0.12	(0.29)	-	99.99%
5	DCM Data Systems Limited	5.00	(0.19)	4.91	0.10	-	-	(0.15)	0.04	(0.19)	-	100.00%
6	DCM Realty and Infrastructure Limited	5.00	(1.24)	3.88	0.12	-	-	(0.17)	0.03	(0.20)	-	100.00%

Subsidiaries which are yet to commence business.

- 1 DCM Tools & Dies Limited
- 2 DCM Textiles Limited
- 3 DCM Data Systems Limited
- 4 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 lakhs)

1	Name of the Joint Venture	Purearth Infrastructure Limited
2	Latest audited Balance Sheet Date	March 31, 2020
3	Share of Joint venture held by the Company on the year end No.	17,853,605
	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	1,206.21
7	Profit/ (Loss) for the year	
i	Considered in consolidation *	(446.79)
ii	Not considered in consolidation	-

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

Dr. Vinay Bharat Ram
Chairman
DIN: 00052826

Jitendra Tuli
Managing Director
DIN: 00272930

Bipin Maira
Director
DIN: 05127804

Place : New Delhi
Date : June 26, 2020

Ashwani Singhal
Chief Financial Officer

Vimal Prasad Gupta
Company Secretary

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.