



## NOTICE

Notice is hereby given that the 29<sup>th</sup> Annual General Meeting of DCM Infotech Limited ('the Company') will be held on Friday, September 3, 2021 at 12:00 P.M. at Unit Nos. 2050 to 2052, 2<sup>nd</sup> Floor Plaza-II, Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi-110006 to transact the following business:


### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2021, the Reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Bipin Maira (DIN -05127804), who retires by rotation and, being eligible, offers himself for re-appointment.
3. To consider and declare payment of final dividend of Rs. 1.80 per equity share of the Company for the financial year ended March 31, 2021.

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

**Place: Delhi**  
**Date: 28.06.2021**

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

  
**(Anukita Jain)**  
**Company Secretary**

**DCM Infotech Limited**

(Formerly known as DCM Realty Investment and Consulting Limited)

316, Udyog Vihar, Phase-II, Gurugram 122 016, Haryana, India

Phone : +91 124 4122800 Fax : +91 124 4009232, E-mail : [secretarial@dcminfotech.com](mailto:secretarial@dcminfotech.com), Website : [www.dcminfotech.com](http://www.dcminfotech.com)

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

Phone : 011-41539140 CIN U72100DL1992PLC047018

**Notes:**

1. M/s S.S. Kothari Mehta & Company, Chartered Accountants (Firm Registration No. 000756N), were appointed as Statutory Auditors of the Company at the 27<sup>th</sup> Annual General Meeting (AGM) held on September 27, 2019 for a period of 5 (five) years from the conclusion of 27<sup>th</sup> AGM held on September 27, 2019, to hold office till the conclusion of 32<sup>nd</sup> AGM of the Company. The requirement to place the matter relating to appointment of auditors for ratification by Members at every intermittent AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at this 29<sup>th</sup> AGM of the Company.

2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting.

3. The Register of Members and Share Transfer Books of the Company shall remain closed from Sunday, August 29, 2021 to Friday, September 3, 2021. (both days inclusive).

4. Corporate members intending to send their authorized representatives to attend the AGM are requested to send a certified copy of the Board Resolution to the Company, authorizing them to attend and vote on their behalf at the AGM.

5. For convenience of the members and proper conduct of the meeting, entry to the meeting venue will be regulated through Attendance Slip. Members, Proxies and Authorised Representatives are requested to bring the duly completed & Signed Attendance Slip enclosed herewith to attend the AGM.

6. 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.

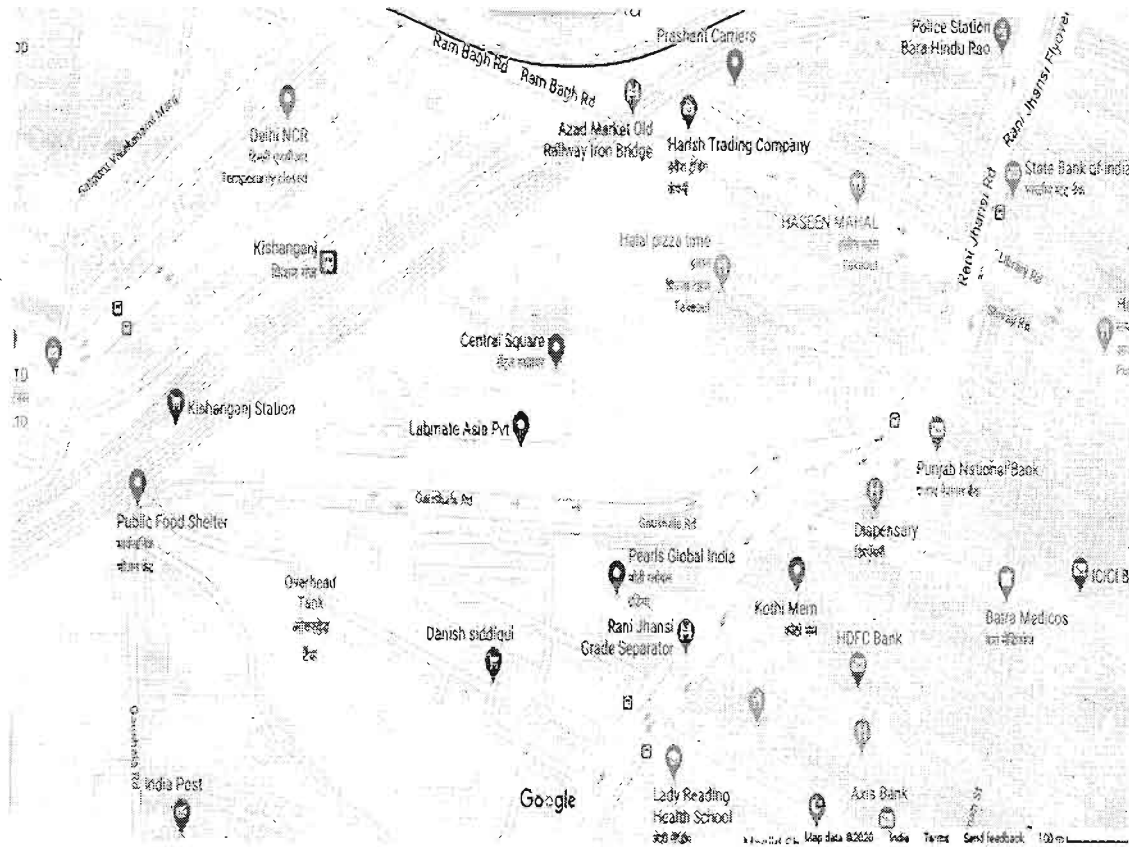
7. Members are requested to bring the copy of their Annual Report.

8. Members who are holding Company's shares in dematerialized form are requested to bring details of their Depository Account Number for identification.

9. The members intending to seek any information on Annual Accounts at the meeting are requested to kindly inform the Company at least 7 days before the date of the meeting.
10. Notice of the 29<sup>th</sup> AGM along with the Annual Report 2020-21 is being sent by electronic mode to those members whose email addresses are registered with the Company/Depository. For Members who have not registered their email address, physical copies are being sent by the permitted mode.
11. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, PAN, mandates, nominations, power of attorney, bank details 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.
12. Relevant documents referred to in the accompanying Notice and the Explanatory Statements are open for inspection by the members at the Registered Office of the Company on all working days (except Saturdays, Sundays & Public Holiday) during 11.00 a.m. to 2.00 p.m. upto one day prior to date of the meeting.
13. The route map to the venue of the Annual General Meeting is enclosed with this notice of 29<sup>th</sup> Annual General Meeting as **Annexure - I**.

Route map for the venue of 29<sup>th</sup> Annual General Meeting

Annexure-I



**DETAIL OF DIRECTOR SEEKING RE-APPOINTMENT AT 29<sup>TH</sup> ANNUAL GENERAL MEETING OF THE COMPANY**

Name of Director	:	Mr. Bipin Maira
Director Identification Number (DIN)	:	05127804
Date of Birth	:	07.11.1939
Date of Appointment	:	09.12.2019
Qualification	:	Senior Cambridge from the Premiere Public School, Sherwood College, Nainital; B.Sc.- University of Agra Business Management- DCM Senior Management Trainee Scheme
Experience and Expertise in specific functional area	:	He has around 56 years of experience in Textile Operation and Management Consultancy and H.R.
Profile of Director	:	Mr. Bipin Maira has around 56 years of industry experience. He started his career with Delhi Cloth Mills Co. Ltd as Senior Management Trainee in 1962 and grew to the position of General Manager of DCM Limited before leaving in 1982. He has served for 7 years with the renowned Kewalram Chanrai Group as Chief Executive for their Nigerian manufacturing operations, including one of the largest textile complexes in Africa. He was associated for 13 years as Director & Partner with Resource Management Associates overseeing the International assignments in Management Consultation & H.R.
Terms and Conditions of re-appointment along with detail of remuneration sought to be paid and last drawn by him	:	Please refer item no. 2. Mr. Bipin Maira, 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 not entitled to any remuneration. However, he will be entitled for the sitting fee as may be approved by the Board.
Shareholding in the Company as on 31.03.2021	:	NIL
Relationship with other directors of the Company	:	He is not related to any other directors on the Board of Company.

No. of Meeting of Board attended during the Year	:	07
List of Company in which outside directorship held	:	1. DCM Limited
Chairmanship/Member ship of committee of Board of Directors of Indian Companies	:	<p><b><u>Chairmanship(s) of Committees of the Board</u></b></p> <p><b><u>DCM Infotech Limited</u></b>  - Corporate Social Responsibility Committee</p> <p><b><u>Membership(s) of Committees of the Board of DCM Limited</u></b>  - Nomination &amp; Remuneration Committee</p>

**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

**DCM Infotech Limited**

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

**CIN:** U72100DL1992PLC047018

**E-mail:** [secretarial@dcminfotech.com](mailto:secretarial@dcminfotech.com), **Website:** [www.dcminfotech.com](http://www.dcminfotech.com)

**Ph:** 011 - 41539140

**TWENTY NINETH ANNUAL GENERAL MEETING - SEPTEMBER 3, 2021**

**Name of the Member(s):**


**Registered address:**


**Email:**

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**Folio No. / Client ID:**

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**DP ID:**

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I/ We, being the member(s) of ..... shares of the DCM Infotech Limited, hereby appoint;

Name:.....Email:.....

Address:.....

Signature: .....Or failing him/ her;

Name:.....Email:.....

Address:.....

Signature: .....

Or failing him/ her;

Name: ..... Email: .....

Name: ..... Email: .....  
 Address: .....  
 Signature: .....

as my / our proxy to attend and vote (on a poll) for me/ us and on my / our behalf at the 29<sup>th</sup> Annual General Meeting of the Company, to be held on September 3, 2021 at Unit Nos. 2050 to 2052, 2<sup>nd</sup> Floor, Plaza-II, Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi-110006, and at any adjournment thereof in respect of such resolutions as are indicated over leaf:

RESOLUTION NUMBER	RESOLUTIONS	VOTE	
		FOR	AGAINST
<b>ORDINARY BUSINESS</b>			
1	Ordinary Resolution for adoption of the audited financial statements of the Company for the financial year ended March 31, 2021, the reports of the Board of Directors and Auditors thereon;		
2	Ordinary Resolution for appointment of a director in place of Mr. Bipin Maira (DIN:05127804), who retires by rotation and being eligible, offers himself for re-appointment		
3	Ordinary Resolution for declaration of Dividend of Rs. 1.80 per equity share of the Company for the financial year ended March 31, 2021.		

Signed this ..... day of ..... 2021

Affix revenue stamp of not less than Rs. 0.15
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.....  
Signature of the member

.....  
 Signature of the first proxy holder    Signature of the second proxy holder    Signature of the third proxy holder.



**Notes:**

1. This form of proxy in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. A Proxy need not be a member of the Company.
3. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
4. It is optional to indicate your preference. please put a '√' in the appropriate column against the resolutions indicated in the box. If you leave the 'For' or 'Against' column blank against any or all resolutions, your Proxy will be entitled to vote in the manner as he / she may deem appropriate.
5. Appointing a proxy does not prevent a member from attending the meeting in person if he/she so wishes.

**DCM INFOTECH LIMITED**  
**Registered Office:** Unit Nos. 2050 to 2052, 2<sup>nd</sup> Floor, Plaza-II, Central Square,  
20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi-110006  
**CIN:**U72100DL1992PLC047018 , **e-mail:** [secretarial@dcminfotech.com](mailto:secretarial@dcminfotech.com)  
**website:** [www.dcminfotech.com](http://www.dcminfotech.com) **Ph:** 011-41539140

**ATTENDANCE SLIP**

**29<sup>TH</sup> ANNUAL GENERAL MEETING - SEPTEMBER 3, 2021**

I certify that I am a member / proxy for the member of the Company.

I hereby record my presence at the 29<sup>th</sup> Annual General Meeting of the Company at Unit Nos. 2050 to 2052, 2<sup>nd</sup> Floor, Plaza-II, Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, Delhi-110006, on Friday, September 3, 2021 at 12:00 P.M.

.....	.....	.....
Member's Folio// proxy DP. ID - Client ID No.	Name of the member / proxy (in BLOCK letters)	Signature of the member

**Note :** 1. Please fill up this attendance slip and hand it over at the entrance of the meeting place. Members are requested to bring their copies of the Annual Report to the AGM.  
2. No bags, briefcases, drinks and eatables will be allowed to be carried inside the auditorium.

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## DIRECTORS' REPORT

Your Directors have pleasure in presenting this 29<sup>th</sup> Annual Report together with the Audited Financial Statements of your Company for the year ended March 31, 2021.

### ECONOMIC SCENARIO

The Covid-19 pandemic gravely wounded the world economy with serious consequences impacting all communities and individuals. The financial year 2020-21 started with the whole country being under one of the strictest lockdowns anywhere in the world, resulting in major disruptions across all sectors, wide spread unemployment and bankrupt businesses.

After having battled the widespread consequences of lockdown, there was some cheer for India's economy that recorded a positive- albeit marginal- growth in last two quarters of 2020-21. However, the second wave right at the start of the current fiscal year has again thrown the economy back in the doldrums. The positive however is that, based on the preparations made last year of finding newer ways of doing business, most companies were this time better prepared to handle the crisis. The expectation is that the 2<sup>nd</sup> wave shall pass off faster.

The domestic revenue of the IT industry is estimated at US\$ 45 billion and export revenue is estimated at US\$ 150 billion in FY21. According to Gartner estimates, IT spending in India is estimated to reach US\$ 93 billion in 2021 (7.3% YoY growth) and further increase to US\$ 98.5 billion in 2022.

The US economy is doing quite well now and with a third of its population vaccinated, the chances of Covid related havoc seems to be receding. Also on the back of three multi-trillion dollar stimuli in the last 12 to 15 months, the US economy is looking to grow aggressively.

### COMPANY'S AFFAIRS

The Company has emerged as a pure play service provider of managed IT services globally, specializing in Infrastructure services, networking, cloud, and digital technologies, consequent to the acquisition of the IT business undertaking namely 'DCM Data Systems' from its holding company DCM Limited.

During the year under review, the sales and other income of the Company was Rs. 47.12 crores (previous year Rs 59.25 crores) and Profit before Tax (PBT) was Rs 4.02 crores (Previous year (Rs 10.79 crores)).

The operations were initially impacted by the pandemic related cut backs at some of our primary customer accounts pursuant to downturn in their businesses. The full impact of the order cancellations, drop in volumes and profitability was absorbed during the year. This was partly offset with business from new customers acquired in second half of the year and the cost saving measures put in place.

The pandemic and consequent lockdowns, forced the Company to initiate 'work from home' for its employees, so as to seamlessly continue supporting customers. This also helped ameliorate the revenue loss through cost saving and reduction in establishment cost.

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

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

## **FINANCIAL DATA**

The Company has adopted Indian Accounting Standard (Ind AS) with effect from 1<sup>st</sup> April, 2017, accordingly, financial statements for the year ended 31<sup>st</sup> March, 2021 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.

Particulars	Financial Year ended March 31, 2021 (Rs/Lacs)	Financial Year ended March 31, 2020 (Rs/Lacs) (Reinstated)
Profit before Interest, Depreciation and Tax	485.32	1191.86
Less - Finance Cost	16.07	27.48
- Depreciation	67.60	85.69
Profit before Tax	401.65	1078.69
Less- Provision for tax	43.22	241.35
Profit after Tax	358.43	837.34
Other Comprehensive Income (net of tax)	8.51	36.06
Total Comprehensive Income	366.94	873.40
Less: Capital Reserve (refer note 32 (b))	0.00	144.08
Add- Profit brought forward	753.73	24.41
Profit available for appropriation	1120.67	753.73
Less: Dividend paid on equity shares	45.90	0.00
Balance profit carried forward	1074.77	753.73

The financial statements have been prepared as per the requirements of Ind AS 103 (Para 9 (iii) of Appendix C), accordingly the financials are reinstated as if Business combination had occurred from the beginning of the previous year (refer Note 32(b) of financial statements).

## **COVID-19 PANDEMIC AND ITS IMPACT**

The outbreak of Covid-19 has changed the world in more ways than one. Apart from the devastating effects of the pandemic, the death toll and collapse of healthcare systems, the virus has left the economies world-wide staggering.

The Covid-19 pandemic in India has had a wide spread disruptive impact on economic activity as well as human life. Almost all the sectors have been adversely affected as domestic demand and exports plummeted sharply. The GDP contracted by over 7% in 2020-21, pursuant to the lockdowns and economic chaos.

The operations of the company were also affected with some overseas order cancellations and rate re-negotiations. The Company undertook timely and essential measures to ensure continuity of service to its customers, while ensuring safety and well-being of its employees. The office-based employees were allowed to *work from home* by providing adequate infrastructure and other assistance. The transition was smooth without any dislocation. Today, majority of our employees continue to work from home.

The Company observed all the government advisories and guidelines thoroughly and in good faith, and continues to take proactive steps to ensure the safety of its employees, while ensuring uninterrupted delivery of services to its clients and minimize the impact of the pandemic on the company's performance in the near term.

### **TRANSFER TO RESERVES**

No amount is proposed to be transferred to reserves for the financial year ended March 31, 2021.

### **DIVIDEND**

Your directors have recommended a dividend of Rs. 1.80 (Rupee one and eighty paise only) per equity share of Rs. 10 each for the financial year 2020-21.

### **MATERIAL CHANGES AND COMMITMENTS**

The Company took over IT business undertaking namely 'DCM Data Systems' of its Holding Company, DCM Limited, during the financial year 2019-20 as its main business, making itself a pure play service provider of managed IT services.

The Company has become 'material subsidiary' of DCM Limited, a listed company, as the income of the Company has exceeded the twenty percent limit of the consolidated income of DCM Limited and its subsidiaries as per the consolidated annual financial statements of DCM Limited (Holding Company), for the financial year ended 31.03.2020.

Accordingly, the Company has complied with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time in this regard as per details given below:

(a) Mr. Bipin Maira, an Independent Director on the board of DCM Limited, has been appointed as Director of the Company w.e.f. December 9, 2019 to comply with regulation 24 of SEBI (LODR) Regulations, 2015 which provides that at least one independent director on the board of directors of the listed entity shall be a director on the board of directors of an unlisted material subsidiary.

(b) The Board of Directors at its meeting held on September 10, 2020 has appointed Ms. Pragnya Pradhan, a Company Secretary in whole time practice, Proprietor of M/s. Pragnya Pradhan & Associates, Company Secretaries, as Secretarial Auditor of the Company to comply with the requirement of regulation 24A of SEBI (LODR) Regulations, 2015.

The Company has got registration under the Micro, Small and Medium Enterprise Development Act, 2006 ('MSME') as a Small Enterprise vide 'Udyam Registration Certificate' dated September 14, 2020. The registration of the Company under MSME would act as a stimulus for the services and product supply business that could be initiated in the domestic market of the Company, mainly Government/PSU Purchases and Corporate Purchases.

Except as above, there was no change in the nature of the business of the Company. Further, there were no material changes and commitments affecting the financial position of the Company occurring between March 31, 2021 and the date of this Report.

#### **EMPLOYEE STOCK OPTION SCHEME**

The Board of Directors in their meeting held on February 25, 2020 had approved the DCM Infotech Limited Employee Stock Option Scheme 2020 (hereinafter referred to as the "ESOP Scheme 2020"), which was approved by the shareholders of the Company in their Extra-Ordinary General Meeting held on March 21, 2020.

Further, the aforesaid Scheme was amended by the Nomination and Remuneration Committee of the Company at its meeting held on August 25, 2020, to facilitate better administration and implementation of the Scheme.

#### **SUBSIDIARY OR JOINT VENTURE OR ASSOCIATE COMPANIES**

The Company has no subsidiary or joint venture or associate company, therefore disclosures in this regard are not provided in this Report.

#### **DIRECTORS**

Mr. Bipin Maira, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as Director of the Company. Accordingly, a resolution is included in the notice of forthcoming 29<sup>th</sup> Annual General Meeting (AGM) of the Company for seeking approval of members for his appointment as Directors of the Company.

During the year under review, Mr. Varun Sarin was re-appointed as Whole-Time Director designated as Executive Director of the Company for a period of 3 years with effect from May 1, 2020 to April 30, 2023, which was approved by the members of the Company at 28<sup>th</sup> Annual General Meeting held on September 5, 2020.

Provisions of the Companies Act, 2013 in respect of Independent Directors is not applicable on the Company, hence disclosures in this regard are not provided in this Report.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

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

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

- (ii) the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (iii) 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;
- (iv) the directors had prepared the annual accounts on a going concern basis;
- (v) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **KEY MANAGERIAL PERSONNEL**

As on 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:

- i. Mr. Varun Sarin - Whole Time Director designated as Executive Director
- ii. Ms. Anukita Jain - Company Secretary

### **NUMBER OF BOARD MEETINGS**

7 (Seven) meetings of the Board of Directors of your Company were held during the year under review.

### **EVALUATION OF BOARD**

The provisions of Section 134(p) of the Companies Act, 2013 and rules made thereunder in respect of evaluation by the Board of its own performance and that of committees and individual directors are not applicable to the Company. Hence disclosures in this regard are not provided in this Report.

### **INTERNAL FINANCIAL CONTROL**

The Company has adequate internal financial control system over financial reporting, which includes proper recording of financial and operational information and regulatory/statutory compliances.

### **STATUTORY AUDITORS**

M/s S.S. Kothari Mehta & Company, Chartered Accountants (Firm Registration No. 000756N) were appointed as Statutory Auditors of the Company for a term of 5 years to hold office from the conclusion of 27<sup>th</sup> Annual General Meeting (AGM) held on September 27, 2019 till the conclusion of 32<sup>nd</sup> AGM of the Company.

Pursuant to amendment to section 139 of the Companies Act, 2013, which became effective from May 7, 2018, the annual ratification of statutory auditors is no longer required. Accordingly, the Notice of ensuing AGM does not include the proposal for seeking shareholders' approval for ratification of appointment of Statutory Auditors of the Company.

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

The Statutory Auditors of the Company have not reported any frauds to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made thereunder.

## **DIRECTORS' VIEW ON AUDITORS' REPORT**

The Auditors' observations in their Report and the relevant notes to the accounts are self-explanatory.

## **FIXED DEPOSITS**

The Company has not accepted any deposit from the public, and as such, there are no outstanding in terms of Companies (Acceptance of Deposit) Rules, 2014. Hence disclosures in this regard are not provided in this Report

## **RISK MANAGEMENT**

In order to manage & control financial & accounting risk, regulatory and operational risk, the Company has adequate risk management process in place.

## **AUDIT COMMITTEE AND VIGIL MECHANISM**

The provisions of Section 177 of the Companies Act, 2013 and Rules issued thereunder in respect of constitution of Audit Committee and establishment of Vigil Mechanism are not applicable to the Company, hence disclosures in this regard are not provided in this report.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND 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 is enclosed as Annexure-I, and forms part of this Report.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS U/S 186**

The Company has not made any loan, investment or provided any guarantee or security as specified under Section 186 of the Companies Act, 2013, during the year under review, hence disclosures in this regard are not provided in this Report.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188**

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-II, and forms part of this Report



## **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

Pursuant to the requirements of Section 135 of the Companies Act, 2013, the Board of Directors of the Company at its meeting held on 25.08.2020, has constituted a CSR Committee comprising of Mr. Bipin Maira, Chairman, Mr. Sumant Bharat Ram and Mr. Ashwani Kumar Singhal, as members of the Committee.

The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) which has been approved by the Board.

The CSR Policy may be accessed on the Company's website at the link [www.dcminfotech.com](http://www.dcminfotech.com).

During the year, the Company was required to spend Rs. 6.53 Lacs towards CSR activities. The Company, however, has approved the expenditure amounting to Rs. 8.42 Lacs on its CSR activities in the area of "Promotion of healthcare", out of which Rs 6.60 lacs was spent during the year and balance was spent in the subsequent year. Annual Report on CSR activities is annexed herewith as Annexure-III.

## **SECRETARIAL AUDIT**

The Board of Directors at its meeting held on September 10, 2020 has appointed Ms. Pragnya Pradhan, a Company Secretary in whole time practice, Proprietor of M/s. Pragnya Pradhan & Associates, Company Secretaries as Secretarial Auditor of the Company to conduct Secretarial Audit of the Company for the financial year 2020-21.

The Secretarial Audit Report for the financial year ended March 31, 2021 under Regulation 24A of the SEBI (LODR) Regulation, 2015 is annexed herewith as **Annexure-IV** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

## **PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES**

The statement containing particulars under Section 197 of the Companies Act, 2013 read with Rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report.

## **EXTRACT OF ANNUAL RETURN**

The Annual Return (MGT-7) of the Company as on 31.03.2021 is available on the following web link: [www.dcminfotech.com](http://www.dcminfotech.com)

## **DISCLOSURE REQUIREMENTS**


1. Provisions of Companies Act, 2013 in respect of formulation of remuneration policy for appointment of Directors & Key Managerial Personnel ('KMP') etc and paying remuneration are not applicable to the Company, hence disclosures in this regard are not provided in this Report.

2. 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.
3. 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.
4. During the year under review, the Company has complied with mandatory Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI)

### **ACKNOWLEDGEMENT**

The Directors wish to acknowledge and thanks the Statutory Authorities and all regularity bodies for their continued support and guidance. The Directors thanks the shareholders, business associates and Banks for the faith reposed in the Company and its management. The Directors place on record their deep appreciation of the dedication and commitment of your Company's employees at all levels and look forward to their continued support in the future as well.

**On Behalf of the Board of Directors  
For DCM Infotech Limited**

  
Sumant Bharat Ram  
Chairman

Dated: 28<sup>th</sup> June, 2021  
Place: Delhi

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 Director's Report for the year ended March 31, 2020

**(A) CONSERVATION OF ENERGY**

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

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

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

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

**(B) TECHNOLOGY ABSORPTION**

(i.) The efforts made towards technology absorption- Nil

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

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

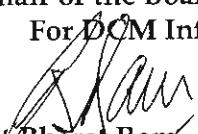
(iv.) The expenditure incurred on research and development- Nil

**(C) FOREIGN EXCHANGE EARNINGS AND 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.

Particulars	(Figures in Rs/Lacs)	
	Financial Year ended March 31, 2021	Financial Year ended March 31, 2020
Foreign Exchange Earned	4030.29	4192.99
Foreign Exchange Used	2550.75	2632.04

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

  
Sumant Bharat Ram  
Chairman

Date: 28.06.2021

Place: Delhi

## Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis during the financial year 2020-21 : NIL


Sr. No.	Particulars	Details
(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 ordinary resolution was passed in general meeting as required under first proviso to section 188	N.A.

2. Details of 'material contracts or arrangement or transactions' at arm's length basis entered into during the financial year 2020-21: NIL

Sr. No.	Particulars	Details
(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)	Date(s) of approval by the Board, if any	N.A.
(f)	Amount paid as advances, if any	N.A.

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

  
Sumant Bharat Ram  
Chairman

Dated: 28.06.2021  
Place: Delhi

## Annual Report on CSR activities for the Financial Year ended March 31, 2021

## 1. Brief outline on CSR policy of the Company:

As per the requirement Section 135 of the Companies Act, 2013, the Company had laid down a CSR Policy which encompasses Company's philosophy for delineating its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programs for welfare and development of the community at large. As per the CSR Policy, the Company had identified a project as per the Schedule VII of the Act, in the area of "Promotion of healthcare", for the year 2020-21.

## 2. Composition of CSR Committee:

S. no	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Bipin Maira	Chairperson	3	2
2.	Mr. Sumant Bharat Ram	Member	3	3
3.	Mr. Ashwari Kumar Singhal	Member	3	3

3. Web-link where composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the Company: [www.dcminfotech.com](http://www.dcminfotech.com)

## 4. Details of impact assessment of CSR Project carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable: Not Applicable

## 5. Details of the amount available for set-off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set-off for the financial year, if any

S.no	Financial Year	Amount available for set-off from preceding financial years (in Rs)	Amount required to be set-off for the financial year, if any (in Rs)
		Not Applicable	

## 6. Average Net Profit of the Company as per Section 135(5):

Net Profit/(Loss) for the year-	
2019-20 -	Rs. 980.27 Lacs
2018-19 -	Rs. (0.35) Lacs
2017-18 -	Rs. 0.27 Lacs
Average Net Profit:	Rs. 326.73 Lacs

7. (a) Two percent of average net profit of the Company as per Section 135(5): Rs. 6.53 Lacs  
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Not Applicable  
 (c) Amount required to be set off for the financial year, if any: Not Applicable  
 (d) Total CSR obligation for the financial year (7a+7b-7c): Rs. 6.53 Lacs
8. (a) CSR amount spent or unspent for the financial year:

Total Amount spent for the Financial Year 2020-21(in Rs.)	Amount Unspent (In Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(5)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of the fund	Amount	Date of transfer
Rs. 6,60,000	Not Applicable				

(b) Details of CSR amount spent against ongoing projects for the financial year: Not Applicable

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S.No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local Area (Yes/No)	Location of the Project		Amount spent for the Project (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation-Through Implementing Agency	
				State	District			Name	CSR Registration Number
1.	N.A.	Cl. (i) Promotion of healthcare	Yes	Haryana	Gurugram	Rs. 6.60 Lacs	No	Cancer Awareness, Prevention and Early Detection (CAPED) Trust	CSR00000750

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment: Nil

(f) Total amount spent for the financial year (8b+8c+8d+8e): Rs. 6.60 Lacs

(g) Excess amount for set off, if any

S.No.	Particular	Amount (In Rs. Lacs)
(i)	Two percent of average net profit of the company as per section 135(5)	6,53,460

(ii)	Total amount spent for the Financial Year	6,60,000
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	6,540
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	6,540

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

(b) Details of CSR amount spent in the financial year for ongoing projects for the preceding financial year(s): Not Applicable

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(a) Date of creation or acquisition of the capital asset(s): Advance paid in 31<sup>st</sup> Mar, 2021

(b) Amount of CSR spent for creation or acquisition of capital asset: Rs. 6.60 Lacs


(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:

The capital asset i.e. the Ambulance has been registered in the name of 'Cancer Awareness, Prevention and Early Detection (CAPED) Trust'. The CAPED Trust is registered under section 12AA of the Income Tax Act, 1961 as a "charitable trust", which acts as a community outreach organization in the healthcare domain since the year 2014, with the objective of creating awareness towards Cervical Cancer, facilitating early detection of Cervical Cancer and counselling on treatment options & supporting during treatment.

(d) Details of the capital assets(s) created or acquired (including complete address and location of the capital asset)

Details of the capital asset	The Company had acquired an Ambulance costing about Rs.8.42 Lacs, which was registered in the name of CAPED Trust, as its capital asset. The said capital asset shall be utilized by CAPED Trust for carrying out Cervical Cancer screenings of women of economically weaker section of society based in Gurugram.
Address & location of the capital asset	Escape 271 Nirvana Country, Sector-50, Gurgaon

11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(5): Not Applicable

  
Sumant Bharat Ram  
(Director)

  
Bipin Maira  
(Chairman CSR Committee)





**PRAGNYA PRADHAN & ASSOCIATES**  
PRACTICING COMPANY SECRETARIES

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ANNEXURE-IV

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

*[Pursuant to section 204(1) of the Companies Act, 2013 and rule  
No.9 of the Companies (Appointment and Remuneration Personnel)  
Rules, 2014]*

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

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

Based on our verification of the Company's books, papers, minute books, e-Forms and returns filed and other records maintained by the Company and also the information provided by the Company to me digitally due to COVID19 pandemic, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, e-forms and returns filed and other records maintained by DCM INFOTECH LIMITED ("the Company") for the financial year ended on 31<sup>st</sup> March, 2021, to the extent made available to me digitally, according to the provisions of:

1) The Companies Act, 2013 (the Act) and the rules made there under;

46, LGE, JOR BAGH, New Delhi-110003  
Mob: 9953457413 Email id: Pragnyap.pradhan@gmail.com



**PRAGNYA PRADHAN & ASSOCIATES**  
PRACTICING COMPANY SECRETARIES

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- 2) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- 3) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment;
- 4) As per the discussion and representation received from the management, necessary compliances relating to provisions of various acts, regulations and rules applicable to the Company have been complied with during the year under report.
- 5) Secretarial Standards I & II as issued by The Institute of Company Secretaries of India.
- 6) The Company is a closely held Public Limited Company and a material subsidiary of DCM Limited, hence relevant provisions of the Securities Contracts (Regulation) Act, 1956, various Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) and SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 are applicable to the Company.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc.

**We further report that**

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

**We further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance of the Companies Act read with relevant rules, Acts and regulations as stated above. We further report that during the period under review:

- Mr. Varun Sarin has been re-appointed as Whole Time Director of the Company designated as Executive Director for a period of three years upto 30<sup>th</sup> April, 2023.



**PRAGNYA PRADHAN & ASSOCIATES**  
PRACTICING COMPANY SECRETARIES

- The Company has adopted the 'ESOP scheme 2020' in the EGM held on 21<sup>st</sup> March, 2020. The said ESOP Scheme was amended from time to time, to facilitate better administration and implementation of the Scheme. The Company is in the process of granting the shares under the 'ESOP Scheme 2020' to its employees.

Place: New Delhi

Date: 28.06.2021

For Pragnya Pradhan & Associates  
Company Secretaries



*Pragnya Parimita Pradhan.*

(Pragnya Parimita Pradhan)

ACS No. 32778

C P No.: 12030

UDIN : A032778C000532926

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



**PRAGNYA PRADHAN & ASSOCIATES**  
PRACTICING COMPANY SECRETARIES

Annexure A

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

Our report of even date is to be read along with this letter.

- 1) Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure the correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- 4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- 5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: New Delhi  
Date: 28.06.2021

For Pragnya Pradhan & Associates  
Company Secretaries



*Pragnya Parimita Pradhan.*

(Pragnya Parimita Pradhan)

ACS No. 32778

C P No.: 12030

UDIN : A032778C000532926

46, LGF, JOR BAGH, New Delhi-110003  
Mob: 9953457413 Email id: Pragnyap.pradhan@gmail.com

**INDEPENDENT AUDITORS' REPORT**

**To the Members of DCM Infotech Limited**

**Report on the Audit of the Financial Statements**

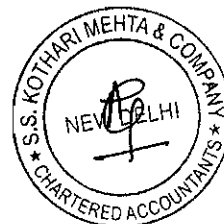
**Opinion**

We have audited the accompanying financial statements of **DCM Infotech Limited** ("the Company"), which comprise the balance sheet as at March 31, 2021, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for opinion**

We conducted our audit of the 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 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 (ICAI) together with the independence requirements that are relevant to our audit of the 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 is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.



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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

**Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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 is responsible for overseeing the Company's financial reporting process.

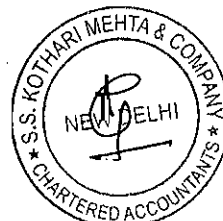


### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



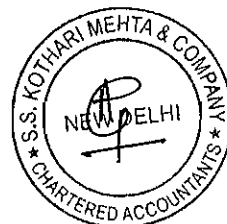
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our 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 in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2 As required by Section 143(3) of the Act, based on our audit 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, statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the relevant books of accounts;
  - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act;
  - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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





**S S KOTHARI MEHTA**  
**& COMPANY**  
CHARTERED ACCOUNTANTS

- “Annexure B”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting;
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of Sec. 197 of the Act read with section II, Part – II of Schedule V 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at March 31, 2021 on its financial position in its standalone financial statement refer Note 34;
  - ii. The Company did not have any long term contract including derivative contracts for which there were any foreseeable losses.
  - iii. There is no amount required to be transferred to the Investor Education and Protection Fund by the Company.

**S.S. Kothari Mehta & Company**

Chartered Accountants

Firm’s registration number: 000756N



*Amit Goel*

**Amit Goel**

Partner

M. No: 500607

Date: June 28, 2021

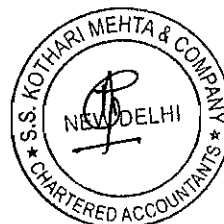
Place: New Delhi

UDIN: 21500607AAAHD1526

**Annexure A to the Independent Auditors' Report to the members of DCM Infotech Limited dated June 28, 2021.**

**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.**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) The Company has a program of physical verification of property plant and equipment that covers every item of fixed assets over a period of three years. In our opinion, this periodicity and manner of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification undertaken during the year.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except the registration of an immovable property having a gross block of Rs. 31.73 lakh and net block of Rs. 16.79 lakh remained pending as at the balance sheet date.
- (ii) The Company is in the business of rendering services and its operations does not give rise to inventory. Therefore, the provisions of clause 3(ii) of the Order are not applicable to the Company.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act. Accordingly, provision of clauses 3(iii) of the Order are not applicable to the Company.
- (iv) According to the information and explanations given to us, there are no loans, investments, guarantees, and securities granted in respect of which provisions of section 185 and 186 of the Act are applicable. Hence, provisions of clause 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) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under clause (d) of sub-section (1) of section 148 of the Act for the Company's activities. Hence, the provisions of clause 3(vi) of the Order are not applicable to the Company.



- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess, goods & service tax and other statutory dues, as applicable, with the appropriate authorities during the year. There are no arrears of outstanding statutory dues as at March 31, 2021 for a period of more than six months from the date when they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax or sales-tax or service tax or duty of customs or duty of excise, value added tax and goods & service tax which have not been deposited on account of any dispute except as shown in the table below:

Name of Statute	Nature of dues	Forum where the dispute is pending	Period to which the amount relates	Amount of Dispute (Rupees in lakhs)	Amount Deposited
Customs Act, 1962	Custom duty	Assistant commissioner of custom (Appeals)	1988-89	12.55	-

- (viii) In our opinion and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to banks. The Company has neither taken any loan from financial institutions or Government nor has issued any debentures.
- (ix) In our opinion, and according to the information and explanations given to us, the Company has not raised any money by way of initial public offer / further public offer and monies raised by way of term loans have been utilized for the purpose for which term loans were obtained.
- (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) According to the information and explanations given to us and based on our examination of the records of the Company, managerial remuneration has been paid/provided in accordance with the provisions of section 197 of the Act read with Section – II, Part- II of Schedule V to the Companies Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.



**S S KOTHARI MEHTA**  
**& COMPANY**  
CHARTERED ACCOUNTANTS

- (xiii) In our opinion, and according to the information and explanations given to us during the course of audit, transactions with the related parties are in compliance with section 188 of Act, where applicable, and the details have been disclosed in the notes to the financial statements, as required by the applicable Indian accounting standards. The provisions of section 177 of the Act are not applicable to the Company and hence not commented upon.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to 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.

**S.S. Kothari Mehta & Company**  
Chartered Accountants  
Firm registration number: 000756N



*Amit Goel*

**Amit Goel**  
Partner  
M. No.500607

Place: New Delhi  
Date: June 28, 2021  
UDIN : 21500607AAAAHD1526

**Annexure B to the Independent Auditors' Report to the Members of DCM Infotech Limited dated June 28, 2021 on its 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**

We have audited the internal financial controls over financial reporting of **DCM Infotech Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

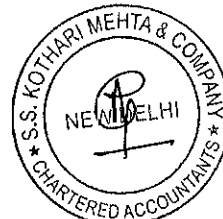
The Company's Management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India" (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 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 as specified 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 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 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 authorizations of management and directors of the company; and
- c) 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 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.



**S S KOTHARI MEHTA**  
**& COMPANY**  
CHARTERED ACCOUNTANTS

**Opinion**

In our opinion, to the best of our information and according to the explanations, given to us 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, 2021, 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 ICAI.

**S.S. Kothari Mehta & Company**  
Chartered Accountants  
Firm's registration number: 000756N



*Amit Goel*

**Amit Goel**  
Partner  
M. No: - 500607

Date: June 28, 2021  
Place: New Delhi  
UDIN: 21500607AAAAHD1526

**DCM Infotech Limited**

(formerly known as DCM Realty Investment &amp; Consulting Ltd)

Balance sheet as at March 31,2021

(Figures in Lakhs)

Particulars	Notes	As at	As at
		March 31,2021	March 31,2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property plant & equipments	3	82.37	91.64
Right to use	3	91.55	141.68
Intangible assets	4	0.00	0.12
<b>Financial assets</b>			
Loans	5	15.54	14.36
Other financial assets	6	3.62	8.86
Deferred tax assets (net)	7	58.45	8.73
Other non-current assets	8	1.75	2.74
<b>Total non-current assets</b>		<b>253.28</b>	<b>268.13</b>
<b>Current assets</b>			
<b>Financial assets</b>			
Trade receivables	9	1014.48	944.69
Cash and cash equivalents	10	390.06	415.38
Bank balances other than Cash and Cash Equivalents	11	364.48	7.16
Loans	12	1.91	1.71
Other financial assets	13	162.12	129.34
Other current assets	14	70.56	72.75
<b>Total current assets</b>		<b>2,003.61</b>	<b>1,571.03</b>
<b>Total assets</b>		<b>2,256.89</b>	<b>1,839.16</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	15	255.01	255.01
Other equity	16	1105.93	784.89
<b>Total equity</b>		<b>1,360.94</b>	<b>1,039.90</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
<b>Financial liabilities</b>			
Borrowings	17	0.00	9.56
Leased liabilities	3	71.87	105.56
Provisions	18	160.66	144.56
<b>Total non-current liabilities</b>		<b>232.53</b>	<b>259.68</b>
<b>Current liabilities</b>			
<b>Financial liabilities</b>			
Leased liabilities	3	33.69	45.76
Trade payables			
Due to micro and small enterprises	19	1.38	0.38
Due to Others	19	254.59	160.85
Other financial liabilities	20	333.31	235.64
Other current liabilities	21	29.57	31.52
Provisions	22	6.59	34.86
Current tax liabilities	23	4.29	30.57
<b>Total current liabilities</b>		<b>663.42</b>	<b>539.58</b>
<b>Total equity and liabilities</b>		<b>2,256.89</b>	<b>1,839.16</b>

The accompanying notes referred to above form an integral part of these financial statements.

As per our report of even date

For S.S. Kothari Mehta &amp; Company

Chartered Accountants

FRN - 000756N



AMIT GOEL

Partner

Membership No: 500607


Place : New Delhi

Date 28.06.2021



For and on behalf of the Board of Directors of

DCM Infotech Limited



Sumant Bharat Ram

Chairman

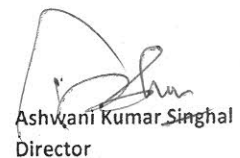
DIN: 00052833



Varun Sarin

Executive Director

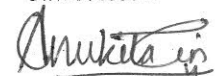
DIN: 00273947



Ashwani Kumar Singhal

Director

DIN: 00159349



Anukita Jain

Company Secretary

ACS : 55307



**DCM Infotech Limited**

(formerly known as DCM Realty Investment &amp; Consulting Ltd)

**Statement of Profit and Loss for the year ended March 31,2021**

(Figures in Lakhs)

Particulars	Notes	For the year ended March 31,2021	For the year ended March 31,2020
<b>Income</b>			
Revenue from operations	24	4,689.52	5881.73
Other income	25	22.21	43.25
<b>Total income</b>		<b>4,711.73</b>	<b>5,924.98</b>
<b>Expenses</b>			
Cost of property rights		-	315.41
Employee benefits expense	26	3,063.42	3246.24
Finance costs	27	16.07	27.48
Depreciation and amortisation expense	28	67.60	85.69
Other expenses	29	1,162.99	1,171.47
<b>Total expenses</b>		<b>4,310.08</b>	<b>4,846.29</b>
<b>Profit before tax</b>		<b>401.65</b>	<b>1,078.69</b>
<b>Tax expense</b>			
Current tax expense	31	108.87	248.38
Tax adjustment relating to prior years	31	(13.07)	-
Deferred tax charge/(benefit)	7	(52.58)	(7.03)
		<b>43.22</b>	<b>241.35</b>
<b>Profit for the year</b>		<b>358.43</b>	<b>837.34</b>
<b>Other comprehensive income/(expense)</b>			
Items that will not be reclassified to profit or loss			
Re-measurement gain/(loss) of defined benefit obligations (refer note 35B)		11.37	(6.75)
Income tax relating to remeasurement of defined benefit obligations		(2.86)	1.70
Net other comprehensive income/(expense) not to be reclassified subsequently to profit or loss		8.51	(5.05)
Items that will be reclassified to profit or loss (net of tax)			
Exchange difference in translating financial statements of foreign operations		-	49.58
Income tax relating to items that will be reclassified to profit or loss		-	-8.47
Net other comprehensive income/(expense) to be reclassified subsequently to profit or loss		-	41.11
<b>Total other comprehensive income/(expense), net of tax</b>		<b>8.51</b>	<b>36.06</b>
<b>Total comprehensive income/(expense) for the year</b>		<b>366.94</b>	<b>873.40</b>
<b>Earnings / (loss) per equity share</b>			
Basic and diluted earnings / (loss) per equity share of Rs. 10 each	30	14.06	32.84

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

As per our report of even date

For S.S. Kothari Mehta &amp; Company

Chartered Accountants

FRN - 000756N



AMIT GOEL

Partner

Membership No: 500607


Place : New Delhi

Date : 28.06.2021



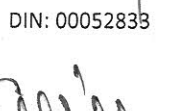
For and on behalf of the Board of Directors of

DCM Infotech Limited


  
Sumant Bharat Ram

Chairman

DIN: 00052838


  
Varun Sarin

Executive Director

DIN: 00273947


  
Ashwant Kumar Singh

Director

DIN: 00159349


  
Anukita Jain

Company Secretary

ACS : 55307

**DCM Infotech Limited**

(formerly known as DCM Realty Investment &amp; Consulting Ltd)

Statement of changes in equity for the year ended March 31, 2021

(Figures in Rs/Lacs )

**A. Equity share capital**

Particulars	Amount
Balance as at April 1, 2019	255.01
Changes in equity share capital during the year	-
Balance as at March 31, 2020	255.01
Changes in equity share capital during the year	-
Balance as at March 31, 2021	255.01

**B. Other equity**

Particulars	Reserve and surplus			Other comprehensive income		Total
	Capital reserve (*)	Special reserve (**)	Retained earning	Exchange difference on translation of foreign operation	Remeasurement (loss)/ gain of post employment benefit obligation	
Balance as at March 31, 2019	(237.91)	31.16	262.32	-	-	55.57
Profit/(Loss) for the year	-	-	837.34	-	-	837.34
Transfer to capital reserve	(144.08)	-	-	-	-	(144.08)
Other comprehensive income / (expense) for the year (net of tax)	-	-	-	41.11	(5.05)	36.05
sub-total	(381.99)	31.16	1,099.66	41.11	(5.05)	784.89
Profit retained in DCM Ltd on business transfer (*)	381.99	-	(381.99)	-	-	-
Balance as on March 31, 2020	-	31.16	717.67	41.11	(5.05)	784.89
Dividend paid	-	-	(45.90)	-	-	(45.90)
Add: Profit/(loss) for the year	-	-	358.43	-	-	358.43
Other comprehensive income / (expense) for the year (net of tax)	-	-	-	-	8.51	8.51
Balance as on March 31, 2021	-	31.16	1,030.20	41.11	3.46	1,105.93

\* Represent profit for the period from April 01, 2018 to Sept 15, 2019 retained in DCM Ltd on business transfer

\*\* Special reserves created in terms of provision of section 36(1) (Viii) of Income Tax Act 1961

As per our report of even date

For S.S. Kothari Mehta &amp; Company

Chartered Accountants

FRN - 000756N



AMIT GOEL


Partner

Membership No: 500607



Place : New Delhi

Date : 28.06.2021

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


Sumant Bharat Ram

Chairman

DIN: 00052833



Ashwani Kumar Singhal

Director

DIN: 00159349



Varun Sarin

Executive Director

DIN: 00273947



Anukita Jain

Company Secretary

ACS : 55307

**DCM Infotech Limited**

(formerly known as DCM Realty Investment &amp; Consulting Ltd)

**Cash flow statement for the year ended March 31,2021**

Particulars	(Figures in Lakhs)	
	For the year ended	For the year ended March 31,2020
<b>A. Cash flow from operating activities</b>		
Profit before taxation	401.65	1,078.69
Adjustments for :		
Depreciation and amortisation expense	67.60	85.69
(Profit)/ loss on sale of property, plant and equipment (net)	0.26	3.56
Liabilities no longer required written back	-	-
Unrealised foreign exchange difference	-	49.58
Interest income	(16.08)	(2.52)
Unwinding of discount on security deposits	0.02	0.13
Finance cost	16.07	27.48
Allowance/ (reversal) of expected credit loss	-	12.94
<b>Operating cash flow before working capital changes</b>	<b>469.52</b>	<b>1,255.55</b>
<b>Changes in assets and liabilities</b>		
Decrease/(increase) in trade receivables	(69.78)	(216.79)
Decrease/(increase) in loan	(0.12)	0.73
Decrease/(increase) in other financial assets	(24.43)	(76.81)
Decrease/(Increase) in other assets	1.90	291.05
Decrease/(increase) in trade payable	94.72	31.95
Increase/(Decrease) in provisions	(0.79)	38.48
Increase/(Decrease) in financial liabilities	104.18	(831.67)
Increase/(Decrease) in other liabilities	(1.95)	11.25
<b>Cash generated from operations</b>	<b>573.25</b>	<b>503.74</b>
Income-taxes (paid)/ refund	(122.08)	(209.14)
<b>Net cash generated from operating activities (A)</b>	<b>451.17</b>	<b>294.60</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(10.04)	(10.09)
Payment made for purchase of business from holding Company	-	(800.83)
Transfer of Property to holding company	-	776.81
Proceeds of property, plant and equipment	0.11	3.11
Interest received	12.98	1.93
Deposits (made)/ matured not considered as cash and cash equivalents	(357.32)	(6.13)
<b>Net cash generated (used)/ made in investing activities (B)</b>	<b>(354.27)</b>	<b>(35.20)</b>
<b>C. Cash flow from financing activities</b>		
Repayment of borrowings	(14.39)	(7.83)
Payment of Dividend	(45.90)	-
Changes in working capital borrowings (net)	-	(72.16)
Interest paid	(16.17)	(5.73)
payment towards Lease liability	(45.76)	(76.87)
<b>Net cash (used) in financing activities (C)</b>	<b>(122.22)</b>	<b>(162.59)</b>
<b>D. Net cash flows [increase/(decrease)] during the year (A+B+C)</b>	<b>(25.32)</b>	<b>96.81</b>
<b>E. Cash and cash equivalents at the beginning of the year</b>	<b>415.38</b>	<b>318.57</b>
<b>F. Cash and cash equivalents at the close of the year ( D+E)</b>	<b>390.06</b>	<b>415.38</b>
<b>G. Components of cash and cash equivalents</b>		
Cash on hand	0.61	0.80
Balances with scheduled banks:		
- Current accounts	269.45	259.58
- Deposit accounts	120.00	155.00
<b>Cash and cash equivalents at the end of the year (refer note 10)</b>	<b>390.06</b>	<b>415.38</b>



**DCM Infotech Limited**

(formerly known as DCM Realty Investment & Consulting Ltd)

**Cash flow statement for the year ended March 31,2021**

(Figures in Lakhs)

**Note:**

- (a) Statement of cash flow has been prepared under the indirect method as set out in the Ind AS 7 "statement of cash flows".
- (b) Figures in bracket represents cash outflow.
- (c) Reconciliation of financing activities

Particular	Opening balance as at April 01, 2020	Cash inflow/ (outflows)	Closing balance as at March 31, 2021
Non- current borrowings	14.39	(14.39)	-
Current borrowings	-	-	-

Particular	Opening balance as at April 01, 2019	Cash inflow/ (outflows)	Closing balance as at March 31, 2020
Non- current borrowings	22.21	(7.83)	14.39
Current borrowings	72.17	(72.17)	-

As per our report of even date

For S.S. Kothari Mehta & Company

Chartered Accountants

FRN - 000756N

  
AMIT GOEL

Partner


Membership No: 500607


Place : New Delhi


Date : 28.06.2021



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

  
Sumant Bharat Ram  
Chairman  
DIN: 00052833

  
Varun Sarin  
Executive Director  
DIN: 00273947

  
Ashwani Kumar Singhal  
Director  
DIN: 00159349

  
Anukita Jain  
Company Secretary  
ACS : 55307

## DCM Infotech Limited

### Notes to the financial statements

#### 1. Introduction

DCM Infotech Limited (formerly known as DCM Realty Investment & Consulting Ltd) is a public limited Company incorporated in India with registered office at Unit Nos. 2050 to 2052, 2nd Floor, Plaza II, Central Square, 20, Manohar Lal Khurana Marg, Bara Hindu Rao, New Delhi -110006, India (CIN number U72100DL1992PLC047018). The company is engaged in IT Infrastructure & management Services.

#### 1.1. Basis of preparation and presentation

These 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 applicable to the Company.

The financial statements were authorised for issue by the Company's Board of Directors on June 28, 2021.

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

#### a. Functional and presentation currency

These 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 rupees in lacs, unless otherwise stated.

#### b. Basis of measurement

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

<u>Items</u>	<u>Measurement basis</u>
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 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.

#### 2. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

#### a. Current and non-current classification

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



**Notes to the financial statements**

**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.

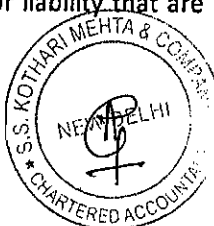
**b. Measurement of fair values**

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 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.

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).



**Notes to the financial statements**

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 falls 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.

Gains or losses on disposal of an item of property, plant and equipment is recognised in the statement of profit or loss.

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.
- (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.

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

**d. Intangible assets**

*Recognition and measurement*

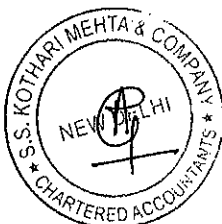
Intangible assets comprise computer software. Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the 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 years.

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



**Notes to the financial statements**

**e. Financial instruments**

*Recognition and initial measurement*

**(i) Financial assets**

Trade receivables are initially recognised when they originate. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions 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 (fair value through profit or loss)

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 the following conditions and is not designated as at FVTPL:

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

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. 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 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.





**Notes to the financial statements**

**(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.

**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.

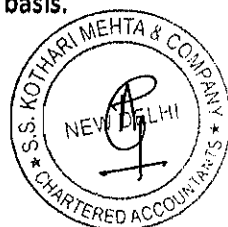
**f. Impairment of non-financial assets**

The Company's non-financial 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.



**Notes to the financial statements**

**g. 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, and bonus, etc. that are expected to be settled wholly within twelve months in which the employee renders the related services, are recognised in the reporting year and are measured at an undiscounted amount.

***Defined contribution plans***

A defined contribution plan is a 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.

***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:

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.

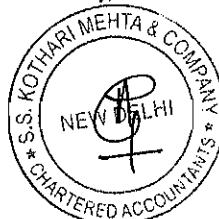
Re-measurements of the defined benefit liability, which comprise actuarial gains and losses are recognised in other Comprehensive Income (OCI).

***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. Re-measurement gains or losses are recognised in statement of profit or loss in the period in which they arise.

**h. 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



**Notes to the financial statements**

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.

**i. Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable, net of returns, trade discounts and rebates. Revenue is recognised only when recovery of the consideration is probable, the associated costs can be estimated reliably, there is no continuing management involvement, and the amount of revenue can be measured reliably.

Revenue from sale of goods is recognised when significant risks and rewards of ownership are transferred to the customer and no significant uncertainty exists regarding its collection. Sales are exclusive of Goods and services tax.

Revenue from software development contracts and implementation projects is recognised based on milestone achieved, as provided in the contract.

Revenue on maintenance contracts is recognised on pro-rata basis linked with the period of contract.

Services income is recognised on accrual basis, as provided in the contracts.

**Other income**

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

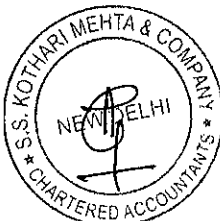
The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

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

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

**j. Lease**

The Company has adopted Ind AS 116. Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of the lease and the importance of the underlying asset to Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.



**DCM Infotech Limited**

**Notes to the financial statements**

**k. 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.

**l. 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.

**m. 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**

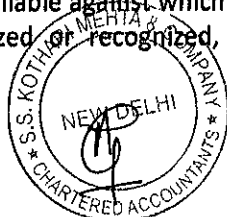
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering 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



## DCM Infotech Limited

### Notes to the financial statements

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.

#### n. 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 effects of interest and other financial 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.

#### o. 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



**Notes to the financial statements**

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 and loss.

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

**p. Foreign Operations**

The current assets and liabilities of foreign operations are translated into Rupees, the functional currency of company, at the exchange rates at the reporting date. Other assets and liabilities are translated at the exchange rate at the date of the transaction. The income and expenses of foreign operations are translated into (Rupees) the functional currency at the average of exchange rates prevailing at end of each month of the year. The resulting exchange differences are reclassified to profit and loss.

**q. 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.

**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.



## Note 3 : Property, plant and equipment

(Figures in Rs/Lacs )

Particulars	Freehold land	Building**	Lease improvements	plant and machinery	Computers	Office equipment	Furniture and fittings	Vehicles*	Total	Right to use assets	Capital work in progress	Total
<b>Gross block</b>												
Balance as at March 31, 2019	724.73	87.84	18.43	3.49	43.92	14.33	8.41	51.26	952.41	-	3.34	955.75
Addition	-	-	-	4.31	7.82	5.80	-	-	17.93	296.68	-	314.61
Deletion	724.73	56.11	-	-	-	0.10	-	8.61	789.55	90.30	3.34	883.19
Balance as at March 31, 2020	-	31.73	18.43	7.80	51.74	20.03	8.41	42.65	180.80	206.38	-	387.18
Addition	-	-	-	-	5.76	2.71	-	-	8.47	-	-	8.47
Deletion	-	-	-	0.01	0.63	0.20	-	4.21	5.05	-	-	5.05
Balance as at March 31,2021	-	31.73	18.43	7.79	56.87	22.54	8.41	38.44	184.21	206.38	-	390.59
<b>Accumulated depreciation</b>												
Balance as at March 31, 2019	-	13.00	12.36	0.87	31.89	7.37	1.16	8.46	75.11	-	-	75.11
Addition	-	2.99	2.11	0.63	5.56	2.58	0.57	5.69	20.13	64.70	-	84.83
Deletion	-	4.04	-	-	-	0.03	-	2.00	6.07	-	-	6.07
Balance as at March 31, 2020	-	11.95	14.47	1.50	37.45	9.92	1.73	12.15	89.16	64.70	-	153.86
Addition	-	2.99	2.12	0.75	3.83	2.59	0.57	4.50	17.35	50.13	-	67.48
Deletion	-	-	-	-	0.47	-	-	4.21	4.68	-	-	4.68
Balance as at March 31,2021	-	14.94	16.59	2.25	40.81	12.51	2.30	12.44	101.84	114.83	-	216.67
<b>Net carrying value</b>												
As at March 31,2021	-	16.79	1.84	5.54	16.06	10.03	6.11	26.00	82.37	91.55	-	173.92
As at March 31, 2020	-	19.78	3.96	6.30	14.29	10.13	6.68	30.50	91.64	141.68	-	233.32
As at March 31, 2019	724.73	74.84	6.07	2.62	12.03	6.96	7.25	42.80	877.30	-	3.34	880.64

\* includes Rs Nil (March 31, 2020 : Rs 14.39 Lacs ) against vehicle purchased under hire purchase/financing arrangement which was secured by way of hypothecation of the specific vehicle. The loan was repayable in equal monthly installments and was carrying an interest at 8.9% per annum.

\*\* The office building situated at Navketan complex, Flat No-607, 608, 609, 6th Floor, Clock Tower, S D Road, Secunderabad, was mortgaged in favour of State Bank of India, to secure the working capital limits sanctioned by the Bank to erstwhile DCM Data Systems. The loan has been fully repaid in the previous year and title deed released by the bank.

## Ind AS 116 Disclosure

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

Particulars	As at March 31,2021	As at March 31,2020
Opening Balance at beginning of year	151.32	-
Acquisition	-	296.68
Deletions	-	(90.30)
Accretion of interest	15.38	21.81
Payments	(61.14)	(76.87)
Closing balance at end of year	105.56	151.32
Current	33.69	45.76
Non-current	71.87	105.56

The maturity analysis of lease liabilities are disclosed in note 33

The effective Interest rate for lease liabilities is 11.75%, with maturity between 2021-2024

The following are the amounts recognised in profit or loss:

Particulars	year ended March 31,2021	year ended March 31,2020
Depreciation expense on right	50.13	64.70
Interest expense on lease liabilities	15.38	21.81
Expense relating to leases of short-term / low value assets (included in other expenses)	22.83	8.17
Total amount recognised in profit or loss	88.34	94.68



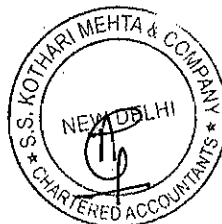
**DCM Infotech Limited**

**Notes forming part of financial statements for the year ended March 31,2021**

**Note 4 : Intangible assets**

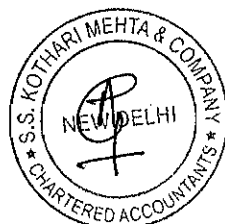
**(Figures in Rs/Lacs )**

<b>Particulars</b>	<b>Software</b>	<b>Total</b>
<b><u>Gross block</u></b>		
Balance as at March 31, 2019	6.81	6.81
Addition	-	-
Deletion	-	-
Balance as at March 31, 2020	6.81	6.81
Addition	-	-
Deletion	1.20	1.20
Balance as at March 31, 2021	5.61	5.61
<b><u>Accumulated depreciation</u></b>		
Balance as at March 31, 2019	5.83	5.83
Addition	0.86	0.86
Deletion	-	-
Balance as at March 31, 2020	6.69	6.69
Addition	0.12	0.12
Deletion	1.20	1.20
Balance as at March 31, 2021	5.61	5.61
<b><u>Net carrying value</u></b>		
As at March 31,2021	0.00	0.00
As at March 31, 2020	0.12	0.12
As at March 31, 2019	0.98	0.98

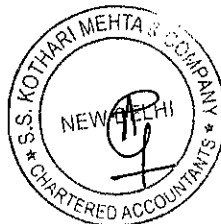




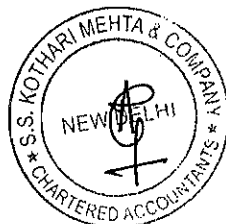
Particulars	As at March 31, 2021	As at March 31, 2020
<b>5. Loans (non-current)</b>		
(Unsecured, considered good)		
Security deposits	15.54	14.36
<b>Total</b>	<b>15.54</b>	<b>14.36</b>
Fair value measurement including categorisation of financial instruments are disclosed in note 36.		
<b>6. Other non-current financial assets</b>		
(Unsecured, considered good)		
Deposits with maturity for more than twelve months	3.62	8.86
<b>Total</b>	<b>3.62</b>	<b>8.86</b>
Bank deposits of Rs. 3.62 Lacs (March 31, 2020: Rs.8.86 Lacs ) held as margin money Fair value measurement including categorisation of financial instruments are disclosed in note 36.		
<b>8. Other non-current assets</b>		
(Unsecured, considered good)		
Deferred rent	1.75	2.74
<b>Total</b>	<b>1.75</b>	<b>2.74</b>
<b>9. Trade receivables</b>		
(Unsecured)		
Considered good	1014.48	944.69
Considered doubtful	23.75	24.39
	<b>1,038.23</b>	<b>969.08</b>
Less : Allowance for doubtful receivables	23.75	24.39
<b>Total</b>	<b>1014.48</b>	<b>944.69</b>
The Company's exposure to credit and currency risks are disclosed in note 36.		
<b>10. Cash and cash equivalents</b>		
Balances with banks		
- In current accounts #	269.45	259.58
- Deposits with original maturity of three months or less	120.00	155.00
Cash on hand	0.61	0.80
<b>Total</b>	<b>390.06</b>	<b>415.38</b>
# Includes Rs Nil (March 31,2020 : Rs 0.95 Lacs) held in bank account of DCM Data Systems. The Company's exposure to credit and currency risks are disclosed in note 36.		
<b>11. Bank balances other than cash and cash equivalents</b>		
Deposit having maturity more than three month and less than twelve month *	364.48	7.16
<b>Total</b>	<b>364.48</b>	<b>7.16</b>
* Includes Marging money of Rs 8.48 lacs (March 31,2020 : Rs 7.16 lacs, out of which Rs 3.02 lacs was in the name of DCM Data Systems). The Company's exposure to credit and currency risks are disclosed in note 36.		
<b>12. Loans-Current</b>		
(Unsecured, considered good)		
Loans to employees		
Good	1.91	1.71
Doubful	3.23	3.23
	<b>5.14</b>	<b>4.94</b>
Less: Impairment allowance	3.23	3.23
<b>Total</b>	<b>1.91</b>	<b>1.71</b>
The Company's exposure to credit and currency risks are disclosed in note 36.		



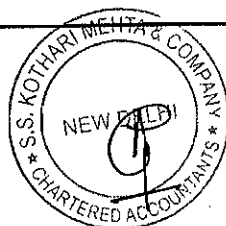
Particulars	As at	As at
	March 31, 2021	March 31, 2020
<b>13. Other current financial assets</b>		
<i>(Unsecured, considered good)</i>		
Unbilled revenue	116.31	86.64
Recoverable from holding company (refer note 39)	42.12	42.12
Interest accrued on fixed deposits	3.69	0.58
<b>Total</b>	<b>162.12</b>	<b>129.34</b>
The Company's exposure to credit and currency risks are disclosed in note 36.		
<b>14. Other current assets</b>		
<i>(Unsecured, considered good)</i>		
Advances to suppliers	10.52	4.27
Balance with statutory/government authorities	10.51	9.49
Others receivables * (refer note 34)	18.57	18.57
Deferred rent-Ind as	0.99	1.29
Prepaid expenses	29.97	39.13
<b>Total</b>	<b>70.56</b>	<b>72.75</b>
* Represents amount paid pursuant to High court order pending settlement of dispute.		
<b>15. Equity share capital</b>		
<b>i. Authorised</b>		
60,00,000 (March 31,2020: 60,00,000) equity shares of Rs. 10 each	600.00	600.00
40,00,000 (March 31, 2020: 40,00,000)Preference shares of Rs. 10 each	400.00	400.00
	<b>1,000.00</b>	<b>1,000.00</b>
<b>ii. Issued, subscribed and fully paid-up</b>		
25,50,070 (March 31, 2020: 25,50,070) equity shares of Rs. 10 each	255.01	255.01
<b>iii Reconciliation of the shares outstanding at the beginning and at the end of reporting period</b>	<b>No. of shares</b>	<b>No. of shares</b>
<b>Equity shares</b>		
At the commencement of the year	2,550,070	2,550,070
Add: Shares allotted during the year	-	-
At the end of the year	2,550,070	2,550,070
<b>iv. The Company has issued one class of equity shares at par value of Rs. 10 each per share. Each holder of equity shares is entitled to one vote per share</b>		
<b>v Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company:</b>		
<b>Equity shares</b>	<b>No. of shares</b>	<b>No. of shares</b>
DCM Limited (the holding company)*	2,550,070	2,550,070
% of Holding	100%	100%
* including shares held jointly with its nominees		
<b>vi The Company has not issued any bonus shares and there is no buy back of shares in the current year and preceding five years for consideration other than cash.</b>		



Particulars	As at	As at
	March 31, 2021	March 31, 2020
<b>16 Other equity</b>		
(a) <b>Special reserve @</b>		
Opening balance	31.16	31.16
Movement during the year	-	-
Closing balance	<b>31.16</b>	<b>31.16</b>
@ Special reserve created in terms of provision of section 36(1) (viii) of Income Tax Act 1961		
(b) <b>Surplus in statement of profit &amp; loss-retained earning</b>		
Opening balance	753.73	262.32
Add:- profit/loss for the year	358.43	837.34
Profit retained in DCM Ltd on business transfer *	-	(381.99)
<b>Sub-total</b>	<b>1,112.16</b>	<b>717.67</b>
Items of other comprehensive income/ (expense) recognised directly in retained earnings		
Remeasurement (loss)/ gain of post employment benefit obligation (net of tax)	8.51	(5.05)
Exchange gain/ (loss) in translating financial statements of foreign operations (net of tax)	-	41.11
Dividend paid	(45.90)	-
<b>Closing balance</b>	<b>1,074.77</b>	<b>753.73</b>
<b>Total other equity</b>	<b>1,105.93</b>	<b>784.89</b>
* Represents Profit for the period from April 01,2018 to Sept 15,2019 retained in DCM ltd prior to date of business transfer ( refer note 32B)		
<b>17. Non-current borrowings</b>		
Secured		
Term loans		
From banks *	-	14.39
		<b>14.39</b>
Current maturities on non-current borrowings		4.83
<b>Total</b>		<b>9.56</b>
The Company's exposure to liquidity and currency risks are disclosed in Note 36.		
(*) includes Rs Nil (March 31, 2020: Rs 14.39 Lacs ) against vehicle purchased under hire purchase/financing arrangement which was secured by way of hypothecation of the specific vehicle. The loan was repayable in equal monthly installments and was carrying an interest at 8.9% per annum.		
<b>18. Non-current provisions</b>		
Provision for employee benefits		
- Gratuity (refer note 35)	107.71	102.55
- Compensated absence	52.95	42.01
<b>Total</b>	<b>160.66</b>	<b>144.56</b>

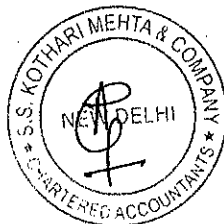


Particulars	As at	As at
	March 31, 2021	March 31, 2020
<b>19. Financial liabilities</b>		
Trade payables		
· Due to micro, small and medium enterprises (*)	1.38	0.38
· Due to others	254.59	160.85
<b>Total</b>	<b>255.97</b>	<b>161.23</b>
The Company's exposure to liquidity and currency risks are disclosed in note 36.		
<b>(*) Details relating to micro, small and medium enterprises :</b>		
(a) The Principal amount remaining unpaid to micro, small and medium enterprises as at year end (includes Rs 2.94 lacs ( March 31,2020: Rs. 4.51 lakhs) payable to creditors of capital goods - also refer note 20)	4.32	4.89
(b) The Interest amounts remaining unpaid to micro, small and medium enterprises as at the year	-	-
(c) The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, during each accounting year	-	-
(d) The amounts of the payments made to micro and small suppliers beyond the appointed day during each accounting year.	-	-
(e) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under Micro Small and Medium Enterprises Development Act, 2006.	-	-
(f) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
(g) The amount of further interest remaining due and payable even in the succeeding periods, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the Micro Small and Medium Enterprises Development Act, 2006.	-	-
<b>20. Other current financial liabilities</b>		
· Current maturities of non-current borrowings -secured from bank	-	4.83
· Payable for purchase of property, plant and equipment - to MSME (refer note 19)	2.94	4.51
· Interest accrued but not due on borrowings	-	0.11
· Employee related payable	330.37	226.19
<b>Total</b>	<b>333.31</b>	<b>235.64</b>
The Company's exposure to liquidity and currency risks are disclosed in note 36.		
<b>21. Other current liabilities</b>		
· Advance from customers/advance billing	3.50	0.00
· Statutory dues payables	26.07	31.52
<b>Total</b>	<b>29.57</b>	<b>31.52</b>
<b>22. Current provisions</b>		
· Provision for employee benefits (refer note 35)		
- Gratuity	3.99	26.30
- Compensated absence	2.60	8.56
<b>Total</b>	<b>6.59</b>	<b>34.86</b>
<b>23. Net current tax liabilities</b>		
· Provision for income tax	108.87	259.26
· Advance tax paid	(104.58)	(228.69)
<b>Total</b>	<b>4.29</b>	<b>30.57</b>





Particulars	For the Year ended March 31,2021	For the Year ended March 31, 2020
<b>24. Revenue from operations</b>		
Sales of property rights		1,013.71
Sale of product licenses	109.97	85.43
Sale of services	4,579.55	4,782.59
<b>Total</b>	<b>4,689.52</b>	<b>5,881.73</b>
<b>Contract balance:</b>		
Trade receivable	1,014.48	944.69
Unbilled revenue	116.31	86.64
<b>Total</b>	<b>1,130.79</b>	<b>1,031.33</b>
<b>Reconciliation of revenue recognised with the contracted price is as follows:</b>		
Contracted price	4,689.52	5,881.73
Reductions towards variable consideration components	-	-
<b>Total</b>	<b>4,689.52</b>	<b>5,881.73</b>
<b>25. Other income</b>		
<b>Interest income on financial assets at amortised cost</b>		
Deposits with others	16.08	2.52
Other interest income -Ind AS	1.26	1.19
Net gain on foreign currency transactions	-	18.80
Net gain on translating of foreign currency transactions	0.48	10.08
Liabilities/provisions no longer required written back	2.35	10.50
Miscellaneous income	2.04	0.16
<b>Total</b>	<b>22.21</b>	<b>43.25</b>
<b>26. Employee benefits expense</b>		
Salaries, bonus and other allowances*	2,853.18	2,995.26
Contribution to provident and other funds	175.48	188.57
Gratuity expense (refer note 35)	24.67	23.10
Staff welfare expenses	10.09	39.31
<b>Total</b>	<b>3,063.42</b>	<b>3,246.24</b>
* Includes director remuneration -refer note 39 C		
<b>27. Finance costs</b>		
<b>Interest expense on :</b>		
Borrowings-Cash Credit	-	0.58
Borrowings-Car Loan	0.50	1.62
Int on Income tax payment	0.19	-
Borrowings cost	-	3.47
Interest on right to use assets ( refer note 3)	15.38	21.81
<b>Total</b>	<b>16.07</b>	<b>27.48</b>
<b>28. Depreciation and amortisation expense (refer note 3&amp; 4)</b>		
Depreciation on tangible assets	17.35	20.13
Amortisation on intangible assets	0.12	0.86
Depreciation on right to use assets	50.13	64.70
<b>Total</b>	<b>67.60</b>	<b>85.69</b>



Particulars	For the Year ended March 31,2021	For the Year ended March 31, 2020
<b>29. Other expenses</b>		
Purchase of licences	104.12	79.30
Power, fuel, etc.	20.60	37.38
Rent (refer note 3)	22.83	8.17
Repair and maintenance		
- Buildings	1.20	1.20
- Machinery	6.34	8.89
- others	35.20	43.16
Subcontracting charges	671.86	568.23
Insurance	19.44	19.65
Rates and taxes	2.79	6.56
Legal and professional fees	135.76	116.02
Auditors remuneration		
-For audit	5.00	4.50
- For expense reimbursement	-	0.16
Travelling and conveyance	12.51	126.12
Expenditure on corporate social responsibility	6.60	-
Provisions for bad trade and other receivables, loans and advances -ECL	-	11.79
Bad trade and other receivables, loans and advances written off	0.28	9.62
Net loss on foreign exchange transactions	3.20	-
Net loss on translating financial statement of foreign operations (#)	14.01	-
Loss on property, plant and equipment sold/ written off (net)	0.26	3.56
Miscellaneous expenses	100.99	127.10
<b>Total</b>	<b>1,162.99</b>	<b>1,171.47</b>

(#) As per applicable Ind AS, the amount of foreign exchange translation differences of integrated foreign operations has been classified as part of other expenses during the current year.

**30. Earnings per share**

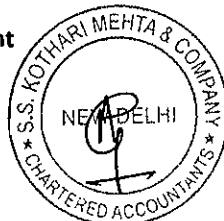
Net profit/(loss) attributable to equity shareholders as per statement of profit and loss	358.43	837.34
Weighted average number of equity shares in calculating basic EPS	2,550,070	2,550,070
Weighted average number of equity shares in calculating diluted EPS	2,550,070	2,550,070
Basic loss per share in rupees (face value per equity share Rs. 10 each) (Rs.)	14.06	32.84
Diluted loss per share in rupees (face value per equity share Rs. 10 each) (Rs.)	14.06	32.84

**31. Tax expenses**

Amounts recognised in profit and loss		
Current tax for the year	108.87	248.38
Adjustment for current tax of prior years	(13.07)	-
	95.80	248.38
Deferred tax expense/ (credit)	(52.58)	(7.03)
<b>Tax expense for the year</b>	<b>43.22</b>	<b>241.35</b>

**Reconciliation of tax expense and the accounting profit multiplied by India's tax rate**

Accounting profit before tax	401.65	950.53
Tax at India's statutory income tax rate @ 25.168%	101.09	239.23
Ind AS related non deductible expenses	1.11	0.42
Provisions disallowed under income tax act (under Sec 43b)	2.50	11.52
Deferred tax expenses/(income)	(52.58)	(7.03)
Others disallowances (depreciation, unrealised exchange gain/loss, loss on PPE etc)	4.18	(2.79)
Adjustment for current tax of prior years	(13.07)	-
<b>Income tax expense as per profit &amp; loss account</b>	<b>43.22</b>	<b>241.35</b>



- 32 During the Financial Year 2019-20, the Company had acquired the IT Business Undertaking namely DCM Data Systems of DCM Limited (Holding Company) w.e.f. 16th September 2019 pursuant to Business Purchase Agreement dated 15th September 2019, for a consideration of Rs 800.83 Lacs, as a going concern on slump sale basis, together with all assets, liabilities, encumbrances, customers and obligations of every nature relating to the said division, including all employees engaged therein with continuity of service. The details of acquired assets and liabilities are as follows :

Particulars	As at	
	Sept 15, 2019	
Non-current assets	386.33	
Current asset	1,170.10	
<b>Total</b>	<b>1,556.43</b>	
non current liabilities	416.22	
current liabilities	339.38	
<b>Total</b>	<b>755.60</b>	
Business purchase consideration paid to DCM limited in cash	<b>800.83</b>	

- 32 (b) The financial statements have been prepared as per the requirements of Ind AS 103 (Para 9 (iii) of appendix C, accordingly the financials for the year ended March 31, 2019 were reinstated as if business combination had occurred from the beginning of the preceding year (i.e from 1st April, 2018). Details of such reinstatement are given below:

Details of profit & loss account reinstated	Period ended	Year ended
	Sept 15, 2019	March 31, 2019
Income	2,228.96	4,411.95
Expenditure	2,100.80	4,234.82
Profit before tax	128.16	177.13
Tax expenses	-	-
Other comprehensive income	15.92	60.78
Capital reserve - for the year	144.08	237.91
Capital reserve -cumulative	381.99	-

#### Additional disclosures

- (a.) DCM Data System was engaged in providing IT infrastructure services.  
 (b.) On 16th September, 2019 the business was transferred to the transferee;  
 (c.) Consideration was received in cash there was no shares issued, exchanged to effect the business combination.  
 (d.) Difference between the consideration and the value of net identifiable assets acquired is NIL.

#### 33. Leases

The Company's significant operating lease arrangements are in respect of premises for use as offices, stores, godown, etc. for a period of ranging from 1-5 years. These leasing arrangements, which are cancellable, are renewable at mutually agreeable terms. Future aggregate minimum lease payments under non-cancellable operating lease are as follows:

Particulars	As at 31st	As at 31st
	March 2021	March 2020
Not later than 1 year	33.69	45.76
Later than 1 year but not later than 5 year	71.87	105.56
Later than 5 year	-	-
<b>Total</b>	<b>105.56</b>	<b>151.32</b>

#### 34. Contingent liabilities, contingent assets and commitments

The details of disputed dues as of March 31, 2019 in respect of customs duty, income tax, excise duty and sales tax/ GST that have not been deposited by the Company, are as follows:

##### Contingent liabilities not provided for:

- Customs duty	12.55	12.55
- Others *	27.86	27.86
<b>Total</b>	<b>40.41</b>	<b>40.41</b>

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.

\* Excludes deposit of Rs 18.57 Lacs (March 31, 2020 : 18.57 lacs) paid vide High Court order pending settlement of dispute (refer note 14)





35. Employee benefits

A. Defined contribution plans

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

	For the year 31st March 2021	For the year 31st March 2020
Company's contribution to provident fund	50.53	55.45
Company's contribution to employees' state	0.27	0.26
Company's contribution to social security	87.98	94.20
Company's contribution to medicare	20.58	22.09
Company's contribution to NPS	6.06	4.39
<b>Total</b>	<b>165.42</b>	<b>176.39</b>

B. Defined benefit plans

The Company 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

Defined benefit liability- gratuity	111.70	128.85
Non current	107.71	102.55
Current	3.99	26.30
<b>Total</b>	<b>111.70</b>	<b>128.85</b>

i. Reconciliation of the defined benefit liability

Balance at the beginning of the year	128.85	100.85
Acquisition adjustment	-	20.63
Current service cost	15.92	15.54
Interest cost	8.75	7.56
Actuarial (gains) / losses recognised	(11.37)	6.75
Benefits paid	(30.45)	(22.49)
<b>Balance at the end of the year</b>	<b>111.70</b>	<b>128.85</b>
Non-current	107.71	102.55
Current	3.99	26.30

ii. Expense recognized in profit and loss

Current service cost	15.92	15.54
Interest cost	8.75	7.56
<b>Net Cost</b>	<b>24.67</b>	<b>23.10</b>

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

Actuarial (gain) / loss on defined benefit obligation	(11.37)	6.75
<b>Total</b>	<b>(11.37)</b>	<b>6.75</b>

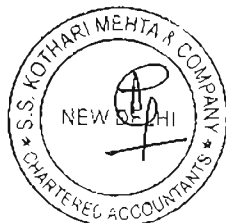
iv. Actuarial assumptions

Financial assumptions		
Discount rate	6.79%	6.79%
Future salary growth	6.00%	6.00%
Retirement age	58	58
Mortality table	IALM(2012-14)	IALM(2012-14)
Withdrawal rate		
Upto 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

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.

	As at 31st March 2021		As at 31st March 2020	
	Increase	Decrease	Increase	Decrease
Discount rate	(4.74)	5.21	(4.61)	5.06
Future salary growth (0.5%)	5.23	(4.79)	5.07	(4.67)



## 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:

Particulars	As at 31st March 2021	As at 31st March 2020
Year 1	3.99	26.30
Year 2	29.75	3.81
Year 3	7.71	28.15
Year 4	20.26	7.29
Year 5	0.95	19.04
Year 6	2.00	0.82
6 Year onwards	47.05	43.44

## 36. Fair value measurement and financial instruments

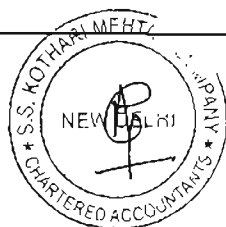
(a) Financial instruments – by category and fair values hierarchy: The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

## As at March 31, 2021

Particulars	Carrying value			Fair value measurement using		
	FVTPL	FVOCI	Amortised Cost	Level 1	Level 2	Level 3
<b>Non current</b>						
Loans	-	-	15.54	-	-	15.54
Other financial assets	-	-	3.62	-	-	3.62
<b>Current assets</b>						
Trade receivables	-	-	1,014.48	-	-	1,014.48
Cash and cash equivalents	-	-	390.06	-	390.06	-
Bank balances other than cash and cash equivalents	-	-	364.48	-	364.48	-
Loans	-	-	1.91	-	-	1.91
Other financial assets	-	-	162.12	-	-	162.12
<b>Non-current liabilities</b>						
Borrowings	-	-	-	-	-	-
Leased liabilities	-	-	71.87	-	-	71.87
<b>Current liabilities</b>						
Borrowings	-	-	-	-	-	-
Leased liabilities	-	-	33.69	-	-	33.69
Trade payables	-	-	255.97	-	-	255.97
Other financial liabilities	-	-	333.31	-	-	333.31

## As on March 31, 2020

Particulars	Carrying value			Fair value measurement using		
	FVTPL	FVOCI	Amortised Cost	Level 1	Level 2	Level 3
<b>Non current</b>						
Loans	-	-	14.36	-	-	14.36
Other financial assets	-	-	8.86	-	-	8.86
<b>Current assets</b>						
Trade receivables	-	-	944.69	-	-	944.69
Cash and cash equivalents	-	-	415.38	-	415.38	-
Bank balances other than cash and cash equivalents	-	-	7.16	-	7.16	-
Loans	-	-	1.71	-	-	1.71
Other financial assets	-	-	129.34	-	-	129.34
<b>Non-current liabilities</b>						
Borrowings	-	-	14.39	-	14.39	-
Leased liabilities	-	-	105.56	-	-	105.56
<b>Current liabilities</b>						
Borrowings	-	-	-	-	-	-
Leased liabilities	-	-	45.76	-	-	45.76
Trade payables	-	-	161.23	-	-	161.23
Other financial liabilities	-	-	230.81	-	-	230.81



Note : The carrying amounts of trade receivables, trade payables, cash and cash equivalents, bank balances other than cash and cash equivalents, loans and other financial assets and liabilities, approximates the fair values, due to their short-term nature. For the loans, investments and other non-current financial assets and bank deposits (due for maturity after twelve months from the reporting date), and for other non-current financial liabilities, the carrying value 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, 2021 and March 31, 2020.

**(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 control over the Company's risk management framework. The Board requires its senior management to operate within this defined framework. The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk 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

<u>Particulars</u>	<u>As at 31st March 2021</u>	<u>As at 31st March 2020</u>
Trade receivables (net of allowances for doubtful receivables)	1,014.48	944.69
Cash and cash equivalents	390.06	415.38
Balances other than cash and cash equivalents	364.48	7.16
Loans	1.91	1.71
Other financial assets	162.12	129.34

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 average credit period on sales of products and services is 30 to 90 days.

The Company has used a practical & expedient approach for computing the expected credit loss allowance for trade receivables based on a provision matrix. This matrix takes into account historical credit loss experience, adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due.

The Company's exposure to credit risk for trade receivables is as follows :

Amounts not due	909.84	855.53
1-90 days past due	97.71	71.21
91 to 180 days past due	5.36	17.67
More than 180 days past due	1.57	0.28
Other receivables having negligible credit risk	-	-
<b>Total trade receivable</b>	<b>1,014.48</b>	<b>944.69</b>

**Movement in the allowance for impairment in respect of trade receivables:**

Balance at the beginning	24.39	11.46
Add : Provisions during the year	-	23.25
Add : Exchange difference during the year	(0.64)	1.14
Less : Writeback during the year	-	(11.46)
Balance at the end	<b>23.75</b>	<b>24.39</b>



## ii. Liquidity risk

Liquidity risk, denotes the risk that the Company will encounter in meeting its obligations associated with 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 maintains sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that its current liquidity position, and anticipated future internally generated funds from operations, will enable it to meet its future known obligations in the ordinary course of business.

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

As at March 31, 2021

Particulars	Carrying amount	Contractual cash flows			Total
		Less than one year	1-5 years	More than 5 years	
Borrowings	-	-	-	-	-
Trade payables	255.97	255.97	-	-	255.97
Other financial liabilities *	333.31	333.31	-	-	333.31
Lease liabilities	105.56	33.69	71.87	-	105.56
<b>Total</b>	<b>694.84</b>	<b>622.97</b>	<b>71.87</b>	<b>-</b>	<b>694.84</b>

As at March 31, 2020

Particulars	Carrying amount	Contractual cash flows			Total
		Less than one year	1-5 years	More than 5 years	
Borrowings	14.39	4.83	9.56	-	14.39
Trade payables	161.23	161.23	-	-	161.23
Other financial liabilities *	230.81	230.81	-	-	230.81
Lease liabilities	151.32	45.76	105.56	-	151.32
<b>Total</b>	<b>557.75</b>	<b>442.63</b>	<b>115.12</b>	<b>-</b>	<b>557.75</b>

\* 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 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, 2021 and as at March 31, 2020

Particulars		As at March 31, 2021	As at March 31, 2020
<b>Financial</b>			
Trade receivables		944.47	787.04
Cash and cash equivalent		243.73	211.33
Loans and advances		1.42	3.31
Other financial asset		92.05	65.00
<b>Total</b>		<b>1,281.67</b>	<b>1,066.68</b>
<b>Financial liabilities</b>			
Trade payables		216.97	106.27
Other financial liability	<b>Total</b>	<b>186.64</b>	<b>86.02</b>
		<b>403.61</b>	<b>192.29</b>



**Sensitivity analysis**

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at March 31, 2021 (previous year ended as on March 31, 2020) 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 is based on a change (depreciation / appreciation) of 1% and assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases

Particulars	Profit or loss before tax		Changes in equity (net of tax)	
	Strengthening	Weakening	Strengthening	Weakening
<b>For the year ended March 31, 2021</b>				
USD				
	8.78	(8.78)	(6.57)	6.57
<b>Total</b>	8.78	(8.78)	(6.57)	6.57
<b>For the year ended March 31, 2020</b>				
USD				
	8.74	(8.74)	(6.54)	6.54
<b>Total</b>	8.74	(8.74)	(6.54)	6.54

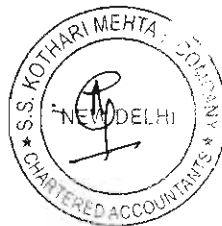
**37 Capital management**

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. 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 based on the business requirements in future.

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 31st	As at 31st
	March 2021	March 2020
Borrowings	-	9.56
Current maturities	-	4.83
Less : Cash and bank balances	754.54	422.54
Adjusted net debt (A)	-	-
Total equity (B)	1,360.94	1,039.90
Adjusted net debt to total equity ratio (A/B)	0.00%	0.00%



**38. 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
IT services	IT Infrastructure services
Real estate	Real Estate

**B. Information about operating segments**

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Board of Directors of the company. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Particulars	Reportable segment						Total	
	IT services		Real estate		Unallocated		As at March 31, 2021	As at March 31, 2020
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020		
<b>Segment revenue</b>								
- External revenues	4,689.52	4,868.02	-	1,013.71	-	-	4,689.52	5,881.73
- Other operating revenue	4.87	39.54	-	-	-	-	4.87	39.54
<b>Total segment revenue</b>	<b>4,694.39</b>	<b>4,907.56</b>	<b>-</b>	<b>1,013.71</b>	<b>-</b>	<b>-</b>	<b>4,694.39</b>	<b>5,921.27</b>
<b>Segment profit/(loss) before tax</b>	<b>400.38</b>	<b>415.15</b>	<b>-</b>	<b>687.31</b>	<b>-</b>	<b>-</b>	<b>400.38</b>	<b>1,102.46</b>
Interest income	-	-	-	-	17.34	3.71	17.34	3.71
Profit before finance costs and tax	400.38	415.15	-	687.31	17.34	3.71	417.72	1,106.17
Finance costs	-	-	-	-	16.07	27.48	16.07	27.48
Profit/(loss) before tax	400.38	415.15	-	687.31	1.27	(23.77)	401.65	1,078.69
Provision for taxation	-	-	-	-	43.22	241.35	43.22	241.35
Profit/(loss) after taxation	400.38	415.15	-	687.31	(41.95)	(265.12)	358.43	837.34
Depreciation and amortization	67.60	85.69	-	-	-	-	67.60	85.69
Capital expenditure during the year	8.47	17.93	-	-	-	-	8.47	17.93
Non cash expense other than	14.55	25.04	-	-	-	-	14.55	25.04

Particulars	Reportable segment						Total	
	IT services		Real estate		Unallocated		As at March 31, 2021	As at March 31, 2020
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020		
<b>Total segment assets</b>	<b>2,183.76</b>	<b>1,815.75</b>	<b>14.68</b>	<b>14.68</b>	<b>58.45</b>	<b>8.73</b>	<b>2,256.89</b>	<b>1,839.16</b>
Segment liabilities	891.66	754.30	-	-	4.29	30.57	895.95	784.87
Share capital and reserves	-	-	-	-	1,360.94	1,039.90	1,360.94	1,039.90
Loan funds	-	14.39	-	-	-	-	-	14.39
<b>Total liabilities</b>	<b>891.67</b>	<b>768.70</b>	<b>-</b>	<b>-</b>	<b>1,365.22</b>	<b>1,070.46</b>	<b>2,256.89</b>	<b>1,839.16</b>

**C. Geographical information**

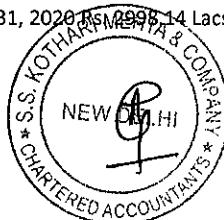
The geographical information analyses the Company's revenues and non-current assets by the Company's country of domicile

	As at March 31, 2021	As at March 31, 2020
<b>i. Revenues</b>		
India (a)	660.09	1,695.88
Outside India		
USA	4,002.00	4,142.90
Middle East	27.43	42.95
Outside India (b)	<b>4,029.43</b>	<b>4,185.85</b>
<b>Total (a+b)</b>	<b>4,689.52</b>	<b>5,881.73</b>
<b>ii. Non current assets *</b>		
India	173.95	234.17
Outside India	1.72	2.01
<b>Total</b>	<b>175.67</b>	<b>236.18</b>

\* Non current assets exclude financial instrument, deferred tax assets and post employment benefit assets.

**D. Major customers**

Revenue of approximately Rs.2163.00 Lacs (Year ended March 31, 2020 Rs.2998.14 Lacs) are derived from customers who contributed 10% or more.



39. 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

DCM Limited ( Holding Company)

Fellow Subsidiaries

DCM Textiles Limited

DCM Realty and Infrastructure Ltd

DCM Engineering Limited (Formerly known as DCM Tools & Dies Limited)

DCM Finance & Leasing Limited

DCM Data Systems Limited

DCM Engineering Products Educational Society

Joint Venture of Holding Company

Purearth Infrastructure Limited

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

Mr. Varun Sarin – Whole time Director designated as Executive Director\*

Mr. Sumant Bharat Ram - Director

Mr. Ashwani Kumar Singhal - Director

Mr. Bipin Maira - Director

Ms Anukita Jain - Company Secretary

\* Director with effect from December 9th, 2019

B. Transactions with related parties:

<u>Nature of transaction</u>	Holding company	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Purchase of business (refer note 32)	-	800.83
Transaction on account of business combination	-	701.85
Dividend paid to holding company	45.90	-
Sales of flat rights (refer note 24)	-	1,013.71
Amount of GST payable for inter office billing	-	0.54
Gratuity transferred	-	26.03
Amount recoverable on account of excess provision	-	0.26
<b>Total</b>	<b>45.90</b>	<b>2,543.22</b>

C. Transactions with key management personnel

<u>Particulars</u>	For the year ended March 31, 2021	For the year ended March 31, 2020
<b>Compensation of key management personnel</b>		
Salaries and bonus including contributions made to provident fund		
Mr. Varun Sarin	58.89	72.38
Ms. Anukita Jain	5.77	2.37
<b>Post-employment defined benefit plan</b>		
Gratuity*		
Mr. Varun Sarin	-	3.98
Ms. Anukita Jain	0.08	0.05
<b>Other long term defined benefit plan*</b>		
Compensated absences*		
Mr. Varun Sarin	-	0.98
Ms. Anukita Jain	0.18	0.05

\*Considered on accrual basis



C. Balances with related parties:

Particulars	Holding Company	
	As on March 31, 2021	As on March 31, 2020
Balances receivables from DCM Ltd	42.12	42.12

Particulars	As on March 31, 2021	As on March 31, 2020
	Gross amount required to be spent	6.53
Amount spent- in cash	6.60	-

41. The management has certified that there is no outstanding capital and other commitment as on March 31, 2021 (March 31,2020 : Nil)
42. Figures for the previous year has been regrouped wherever required.
43. No adjusting or significant non- adjusting events have occurred between the reporting date and date of authorization of these financial

44. The Company has considered the impact of COVID-19 on its operations as well as its financial statements, including carrying amounts of investments, property plant and equipment, loans and other assets, as at March 31, 2021. In assessing the carrying value of these assets, the Company has used internal and external sources of information up to the date of approval of these financial statements, and based on current estimates, expects the net carrying amount of these assets will be recovered. The Company will continue to closely monitor any material changes to the business and financial statements due to COVID-19, wherever required.

As per our report of even date  
For S.S. Kothari Mehta & Company

Chartered Accountants  
FRN - 000756N


  
AMIT GOEL

Partner  
Membership No: 500607




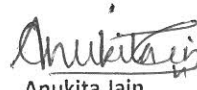
Place : New Delhi  
Date : 28.06.2021

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

  
Sumant Bharat Ram  
Chairman  
DIN: 00052833

  
Varun Satish  
Executive Director  
DIN: 00273947

  
Ashwani Kumar Singhal  
Director  
DIN: 00159349

  
Anukita Jain  
Company Secretary  
ACS : 55307