

May 15, 2021

**BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai-40001
Scrip Code: 542729**

**National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex, Bandra East
Mumbai, Maharashtra - 400051
Symbol: DCMNVL**

Sub: Annual Audited Financial Results for the quarter/ financial year ended March 31, 2021

Dear Sir,

Pursuant to Regulation 30 and 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), we would like to inform you that the Board of Directors in their meeting held today i.e., May 15, 2021, have considered and approved the Annual Audited Financial Results for the quarter/ financial year ended March 31, 2021 along with the audit report of the statutory auditor.

We are enclosing herewith the followings:

- a) Annual Audited Financial Results for the quarter/financial year ended March 31, 2021, along with the Audit Report by the Statutory Auditors of the Company;
- b) A declaration by CFO confirming that the Auditors have given an Unmodified Opinion on the Annual Audited Financial Results of the Company for the financial year ended March 31, 2021, as required under second proviso to regulation 33(3)(d) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015

The Board Meeting commenced at 05:45 pm and concluded at 07:15 pm

This is for information and record.

Thanking you,

For DCM Nouvelle Limited



**Mohd Sagir
Company Secretary & Compliance Officer
Membership No: 11061**

Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
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Independent Auditor's Report on Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of DCM Nouvelle Limited

Opinion

1. We have audited the accompanying annual financial results ('the Statement') of **DCM Nouvelle Limited** ('the Company') for the year ended 31 March 2021, attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations'), including relevant circulars issued by the SEBI from time to time.
2. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - (i) presents financial results in accordance with the requirements of Regulation 33 of the Listing Regulations; and
 - (ii) gives a true and fair view in conformity with the applicable Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with relevant rules issued thereunder, and other accounting principles generally accepted in India, of the net profit after tax and other comprehensive income and other financial information of the Company for the year ended 31 March 2021.

Basis for Opinion

3. We conducted our audit 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 Statement 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 ('the ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion.



Independent Auditor's Report on Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)

Responsibilities of Management and Those Charged with Governance for the Statement

4. This Statement has been prepared on the basis of the annual audited financial statements and has been approved by the Company's Board of Directors. The Company's Board of Directors is responsible for the preparation and presentation of the Statement that gives a true and fair view of the net profit/loss and other comprehensive income and other financial information of the Company in accordance with the accounting principles generally accepted in India, including Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder and other accounting principles generally accepted in India, and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error.
5. In preparing the Statement, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
6. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Statement

7. Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 Standards on Auditing, specified under section 143(10) of the Act, 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 this Statement.
8. As part of an audit in accordance with the Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has in place adequate internal financial controls with reference to financial statements 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 the management.



Walker Chandiook & Co LLP

Independent Auditor's Report on Annual Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)

- Conclude on the appropriateness of the 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 Statement 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 Statement, including the disclosures, and whether the Statement represents the underlying transactions and events in a manner that achieves fair presentation.
9. 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.
10. 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.

Other Matters

11. The Statement includes the financial results for the quarter ended 31 March 2021, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year-to-date figures up to the third quarter of the current financial year, which were subject to limited review by us.
12. The audit of financial results for the corresponding quarter and year ended 31 March 2020 included in the Statement was carried out and reported by BSR & Co. LLP who have expressed unmodified opinion vide their audit report dated 25 June 2020, whose report has been furnished to us, and which has been relied upon by us for the purpose of our audit of the Statement. Our opinion is not modified in respect of this matter.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No. : 001076N/N500013



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Rohit Arora

Partner

Membership No. 504774



UDIN: 21504774AAAADV8752

Place: New Delhi

Date: 15 May 2021

Statement of audited financial results for the quarter and financial year ended 31 March 2021

(₹ in lacs except as stated otherwise)

S. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended	Year ended
		31 March 2021 (Refer note 6)	31 December 2020	31 March 2020 (Refer note 6)	31 March 2021	31 March 2020
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
	Income:					
I.	Revenue from operations	18,692	15,237	14,052	56,278	58,522
II.	Other income	138	145	(113)	630	377
III.	Total income (I + II)	18,830	15,382	13,939	56,908	58,899
IV.	Expenses:					
	Cost of materials consumed	11,415	10,078	9,486	37,175	42,139
	Changes in inventories of finished goods and work-in-progress	(116)	(276)	(40)	762	(557)
	Employee benefits expense	1,135	1,134	1,063	4,129	4,139
	Finance costs	145	166	291	842	1,186
	Depreciation and amortisation expense	390	393	408	1,603	1,647
	Other expenses	2,589	2,250	2,448	8,296	9,689
	Total expenses (IV)	15,558	13,745	13,656	52,807	58,243
V.	Profit before tax (III - IV)	3,272	1,637	283	4,101	656
VI.	Tax expense:					
	-Current tax	852	296	301	1,148	454
	-Deferred tax	(27)	115	(189)	(98)	(230)
	Total tax expense	825	411	112	1,050	224
VII.	Profit for the period/year	2,447	1,226	171	3,051	432
VIII.	Other comprehensive income					
	Items that will not be reclassified to profit or loss					
	Re-measurement gain of defined benefit obligations	-	1	49	3	4
	Income tax relating to remeasurement of defined benefit obligations	(1)	-	(10)	(1)	(1)
IX.	Other comprehensive income/(expense), net of tax	(1)	1	39	2	3
X.	Total comprehensive income for the period/year {comprising profit and other comprehensive income for the period/year}	2,446	1,227	210	3,053	435
XI.	Paid up equity share capital (face value of ₹ 10 per share)	1,868	1,868	1,868	1,868	1,868
XII.	Other equity				16,548	13,494
XIII.	Earnings per share	(not annualised)	(not annualised)	(not annualised)	(annualised)	(annualised)
	Basic and diluted (₹)	13.10	6.56	0.92	16.33	2.31

Notes:

- The above financial results of DCM Nouvelle Limited ("the Company") have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on 15 May 2021 and have been audited by the Statutory Auditors of the Company.
- The above results have been prepared in accordance with the recognition and measurement principles of applicable Indian Accounting Standards ('Ind AS') as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), specified under section 133 of the Companies Act, 2013.
- In accordance with Ind AS 108, the Board of Directors being the chief operating decision maker of the Company has determined its only primary business segment viz "Yarn Manufacturing". Since the Company's business is from manufacturing and sale of yarn and there are no other identifiable reportable segments, the segment revenue, segment results, total carrying amount of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of charge for depreciation during the year is as reflected in the financial results.
- The Company has considered the possible effects that may result from the Covid 19 pandemic on the carrying amounts of property, plant and equipment, inventories, receivables and other current assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the management, as at the date of approval of these financial results, has used internal and external sources on the expected future performance of the Company. The management has performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, expects that the carrying amount of these assets will be recovered and sufficient liquidity is available to fund the business operations for at least another 12 months. Given the uncertainties of the pandemic, the final impact on the Company's assets in future may differ from that estimated as at the date of approval of these financial results, and the Company will continue to closely monitor any material changes to future economic conditions.
- The National Company Law Tribunal ("NCLT"), vide its order dated 01 May 2019, had approved the Scheme of Arrangement ("the Scheme") between DCM Limited and DCM Nouvelle Limited ("the Company"), for the demerger of the textile Division of DCM Limited, on a going concern basis with effect from 01 April 2019 (i.e. the appointed date). Consequently, the assets and liabilities aggregating to ₹ 35,758 lacs and ₹ 20,834 lacs respectively, of the textile Division of DCM Limited had been transferred with effect from the aforesaid appointed date to the Company at their carrying values, determined in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India. Pursuant to the demerger, as per the scheme, the Company issued share capital of ₹ 1,868 lacs and recorded securities premium of ₹ 5,519 lacs and retained earnings of ₹ 7,542 lacs. Further, pursuant to the aforesaid Scheme, the entire share capital held by DCM Limited as on the effective date (01 April 2019) in the Company had been cancelled.
- Figures for the quarters ended 31 March 2021 and 31 March 2020 represents the balancing figures between audited figures for the full financial year and published year to date figures upto the third quarter of the years ended 31 March 2021 and 31 March 2020 respectively, which have been subject to limited review.
- Subsequent to the year end, The Company has appointed Mr. Kulbir Singh as additional director (non-executive and non-independent) and Mr. Vivek Chhachhi as additional director (non-executive and independent) w.e.f 01 April 2021.
- The figures for the corresponding previous period/year have been regrouped/reclassified/recasted, wherever necessary, to make them comparable.



**SIGNED FOR
 IDENTIFICATION
 PURPOSES ONLY**

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

RAKESH GOEL
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Rakesh Goel
 Whole-time Director
 DIN: 00226058

Statement of assets and liabilities as at 31 March 2021

(₹ in lacs except as stated otherwise)

Particulars	As at 31 March 2021	As at 31 March 2020
	(Audited)	(Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	9,550	9,471
Capital work-in-progress	1	1,238
Financial assets		
(i) Loans	12	6
Deferred tax assets (net)	327	229
Non-current tax assets (net)	57	10
Other non-current assets	1,747	1,596
Total non-current assets	11,694	12,550
Current assets		
Inventories	13,692	17,984
Financial assets		
(i) Trade receivables	9,306	5,662
(ii) Cash and cash equivalents	12	22
(iii) Bank balances other than (ii) above	13	80
(iv) Loans	27	32
(v) Other financial assets	1,047	781
Other current assets	3,139	660
Total current assets	27,236	25,221
Total assets	38,930	37,771
EQUITY AND LIABILITIES		
Equity		
Equity share capital	1,868	1,868
Other equity	16,548	13,494
Total equity	18,416	15,362
Liabilities		
Non-current liabilities		
Financial liabilities		
(i) Borrowings	2,514	4,331
(ii) Other financial liabilities	11	12
Provisions	737	674
Total non-current liabilities	3,262	5,017
Current liabilities		
Financial liabilities		
(i) Borrowings	14,017	12,497
(ii) Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	74	81
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	1,091	1,407
(iii) Other financial liabilities	856	2,166
Other current liabilities	104	84
Contract liabilities	75	403
Provisions	787	754
Current tax liabilities (net)	248	-
Total current liabilities	17,252	17,392
Total equity and liabilities	38,930	37,771



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Statement of cash flow for the year ended 31 March 2021

(₹ in lacs except as stated otherwise)

S.No.	Particulars	For the year ended	For the year ended
		31 March 2021	31 March 2020
		(Audited)	(Audited)
A.	Cash flows from operating activities		
	Net Profit before tax	4,101	656
	Adjustments for :		
	Depreciation and amortisation expense	1,603	1,647
	Profit on sale of property, plant and equipment (net)	-*	-*
	Unrealised foreign exchange difference	19	164
	Interest income including interest subsidy	(78)	(96)
	Balances no longer payable written back	(5)	-
	Provision against TUF subsidy	16	-
	Interest expense	841	1,186
	Operating profit before working capital changes	6,497	3,557
	Movements in working capital:		
	Decrease/(increase) in inventories	4,293	(1,040)
	(Increase)/decrease in trade receivables	(3,683)	968
	(Increase)/decrease in loans	(1)	319
	(Increase) in other financial assets	(267)	(85)
	(Increase) in other assets	(2,491)	(1,007)
	(Decrease)/increase in trade payable	(301)	686
	Increase in provisions	81	392
	Increase in financial liabilities	26	96
	(Decrease)/increase in other liabilities	(308)	98
	Cash generated from operations	3,846	3,984
	Income-taxes paid	(952)	(464)
	Net cash flow generated from operating activities (A)	2,894	3,520
B.	Cash flows from investing activities		
	Purchase of property, plant and equipment including capital work-in-progress, capital advance and capital creditors	(782)	(3,566)
	Proceeds from sale of property, plant and equipment	2	-*
	Interest received	57	96
	Proceeds from fixed deposit	13	80
	Net cash (used in) investing activities (B)	(710)	(3,390)
C.	Cash flow from financing activities		
	Repayment of long-term borrowings	(3,075)	(1,332)
	Proceeds from long-term borrowings	178	831
	Proceeds from short-term borrowings(net)	1,539	656
	Finance charges paid	(903)	(1,199)
	Net cash (used in) financing activities (C)	(2,261)	(1,044)
D.	Net decrease in cash flows during the year (A+B+C)	(77)	(914)
E.	Cash and cash equivalents as at the beginning of the year	102	1,016
F.	Cash and cash equivalents as at the end of the year	25	102

G. Components of cash and cash equivalents

i. Balances with banks:

- Current accounts
- Deposit accounts

ii. Cash on hand

Cash and cash equivalents as at the end of the year



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4	7
13	80
8	15
25	102

* rounded off to nil

Note:

The above cash flow statement has been prepared under the 'indirect method' as set out in Ind AS 7, 'Statement of cash flows'.

May 15, 2021

**BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai-40001
Scrip Code: 542729**

**National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex, Bandra East
Mumbai, Maharashtra - 400051
Symbol: DCMNVL**

Sub: Declaration in terms of regulation 33(3)(d) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015

Dear Sir/ Madam,

In terms of second proviso to regulation 33(3)(d) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015, we confirm that the M/s. Walker Chandiook & Co LLP Chartered Accountants, Statutory Auditor have given an Unmodified Opinion on the Annual Audited Financial Results of the Company for the financial year ended March 31, 2021.

Thanking you,

For DCM Nouvelle Limited



**Sandeep Kumar Jain
Chief Financial officer**