

HEAD OFFICE:

A-6, Maharani Bagh
New Delhi-110065
PH. : 011-41626470-71
Fax : 011-41328425
e-mail : info@bansalco.com

BANSAL & CO. LLP
CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To the Members of DCM Nouvelle Specialty Chemicals Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **DCM Nouvelle Specialty Chemicals Limited**, which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period from April February 02, 2022 to March 31, 2022, 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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the 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 in accordance with the Standards on Auditing 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 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 we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. These reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.



BRANCH OFFICES

DELHI: D7, Maharani Bagh, New Delhi-110065 [INDIA] Phones : 26311192, 26843211 Fax : 91-11-26843073
Bhopal : 114, Shree Tower, 2nd Floor, Zone-II, Bhopal [MP] Ph : 07554076725,2769224,2769225
Dehradun : 1st Floor, C-4, Rich Look, Near LIC Building, Haridwar Road, Dehradun, Uttarakhand, Ph. : 09412063494

BANSAL & CO. LLP

CHARTERED ACCOUNTANTS

HEAD OFFICE:

A-6, Maharani Bagh

New Delhi-110065

PH. : 011-41626470-71

Fax : 011-41328425

e-mail : info@bansalco.com

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available 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.

Management's Responsibility for the Financial Statements

The accompanying financial statements have been approved by the Company's Board of Directors. 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 including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are 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 Ind AS 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 Ind AS 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.

BRANCH OFFICES

DELHI: D7, Maharani Bagh, New Delhi-110065 [INDIA] Phones : 26311192, 26843211 Fax : 91-11-26843073

Bhopal : 114, Shree Tower, 2nd Floor, Zone-II, Bhopal [MP] Ph : 07554076725,2769224,2769225

Dehradun : 1st Floor, C-4, Rich Look, Near LIC Building, Haridwar Road, Dehradun, Uttarakhand, Ph. : 09412063494

BANSAL & CO. LLP

CHARTERED ACCOUNTANTS

HEAD OFFICE:

A-6, Maharani Bagh

New Delhi-110065

PH. : 011-41626470-71

Fax : 011-41328425

e-mail : info@bansalco.com

- 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, make it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

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.

Report on Other Legal and Regulatory Requirements

I. As required by Section 143(3) of the Act, based on our audit we report , to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



BRANCH OFFICES

DELHI: D7, Maharani Bagh, New Delhi-110065 [INDIA] Phones : 26311192, 26843211 Fax : 91-11-26843073

Bhopal : 114, Shree Tower, 2nd Floor, Zone-II, Bhopal [M?] Ph : 07554076725,2769224,2769225

Dehradun : 1st Floor, C-4, Rich Look, Near LIC Building, Haridwar Road, Dehradun, Uttarakhand, Ph. : 09412063494

BANSAL & CO. LLP

CHARTERED ACCOUNTANTS

HEAD OFFICE:

A-6, Maharani Bagh

New Delhi-110065

PH. : 011-41626470-71

Fax : 011-41328425

e-mail : info@bansalco.com

- 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 Flow dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid Ind financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". 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 Company had not paid any remuneration to its directors during the year.

- 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 do not have any pending litigations having impact on its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

BRANCH OFFICES

DELHI: D7, Maharani Bagh, New Delhi-110065 [INDIA] Phones : 26311192, 26843211 Fax : 91-11-26843073

Bhopal : 114, Shree Tower, 2nd Floor, Zone-II, Bhopal [MP] Ph : 07554076725, 2769224, 2769225

Dehradun : 1st Floor, C-4, Rich Look, Near LIC Building, Haridwar Road, Dehradun, Uttarakhand, Ph. : 09412063494

HEAD OFFICE:

A-6, Maharani Bagh

New Delhi-110065

PH. : 011-41626470-71

Fax : 011-41328425

e-mail : info@bansalco.com

BANSAL & CO. LLP

CHARTERED ACCOUNTANTS

- b) The management has represented, that, to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on audit procedures which we considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- v. The company has not declared or paid any dividend during the year in contravention of the provisions of section 123 of the Companies Act, 2013.

For Bansal & Co. LLP
Chartered Accountants

Firm's Registration No. 001113N/N500079



(Arpit Jain)

Partner

(Membership No.520113)

Place of Signature: New Delhi

Date: 05.05.2022

UDIN: 22520113AIMEBL9048

BRANCH OFFICES

DELHI: D7, Maharani Bagh, New Delhi-110065 [INDIA] Phones : 26311192, 26843211 Fax : 91-11-26843073

Bhopal : 114, Shree Tower, 2nd Floor, Zone-II, Bhopal [MP] Ph : 07554076725,2769224,2759225

Dehradun : 1st Floor, C-4, Rich Look, Near LIC Building, Haridwar Road, Dehradun, Uttarakhand, Ph. : 09412063494

HEAD OFFICE:

A-6, Maharani Bagh
New Delhi-110065
PH. : 011-41626470-71
Fax : 011-41328425
e-mail : info@bansalco.com

BANSAL & CO. LLP
CHARTERED ACCOUNTANTS

“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT
(Referred to in paragraph 2 (f) under “Report on Other Legal and Regulatory Requirements”
Section of our Audit Report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of the Company as of March 31, 2022 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”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

AUDITORS’ RESPONSIBILITY

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgments, 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.

BRANCH OFFICES

DELHI: D7, Maharani Bagh, New Delhi-110065 [INDIA] Phones : 26311192, 26843211 Fax : 91-11-26843073
Bhopal : 114, Shree Tower, 2nd Floor, Zone-II, Bhopal [MP] Ph : 07554076725,2769224,2769225
Dehradun : 1st Floor, C-4, Rich Look, Near LIC Building, Haridwar Road, Dehradun, Uttarakhand, Ph. : 09412063494

HEAD OFFICE:

A-6, Maharani Bagh
New Delhi-110065
PH. : 011-41626470-71
Fax : 011-41328425
e-mail : info@bansalco.com

BANSAL & CO. LLP
CHARTERED ACCOUNTANTS

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 (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

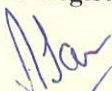
Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal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

OPINION

Based on the representation, information and documents provided by the company as regard to the internal control and our testing of such controls, in our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022.

For Bansal & Co. LLP
Chartered Accountants

Firm's Registration No. - 001113N/N500079


(Arpit Jain)

Partner

(Membership No. 520113)

Place of Signature: New Delhi

Date: 05.05.2022

UDIN: 22520113AIMEBL9048



BRANCH OFFICES

DELHI: D7, Maharani Bagh, New Delhi-110065 [INDIA] Phones : 26311192, 26843211 Fax : 91-11-26843073

Bhopal : 114, Shree Tower, 2nd Floor, Zone-II, Bhopal [MP] Ph : 07554076725, 2769224, 2769225

Dehradun : 1st Floor, C-4, Rich Look, Near LIC Building, Haridwar Road, Dehradun, Uttarakhand, Ph. : 09412063494

DCM Nouvelle Specialty Chemicals Limited
Statement of profit and loss for the year ended 31 March 2022
(All amounts in ₹, unless stated otherwise)

Particulars	Notes	For the year ended 31 March 2022
Income		-
Total income		-
Expenses		
Employee benefits expense	11	13,165
Other expenses	12	1,957,810
Total expenses		1,970,975
Loss before tax		(1,970,975)
Tax expense		
Current tax expense		-
Total tax expense		-
Loss for the year		(1,970,975)
Other comprehensive income/loss		
<i>Items that will not be reclassified to profit or loss</i>		
Re-measurement gain of defined benefit obligations		-
Income tax relating to remeasurement of defined benefit obligations		-
Total other comprehensive income/loss, net of tax		-
Total comprehensive income/loss for the year		(1,970,975)
Earnings per equity share (face value of ` 10 each)		
Basic	13	(19.71)
Diluted	13	(19.71)

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

As per our report of even date attached

For Bansal & Co LLP
Chartered Accountants

Firm Registration No. : 001112N/N500079

Arpit Jain
(Partner)

Membership No. 520113



For and on behalf of the Board of Directors of
DCM Nouvelle Specialty Chemicals Limited

Hemant Bharat Ram
Managing Director
DIN : 00150933

Kulbir Singh
Director
DIN : 00204829

Sandeep Kumar Jain
Chief Financial Officer
M. No. 078691

Mohd Sagir
Company Secretary
M.No.: F11061

Place: New Delhi
Date: 05 May 2022

Place: New Delhi
Date: 05 May 2022

UDIN: 22520113 AI ME BL 9048

DCM Nouvelle Specialty Chemicals Limited

Balance Sheet as at 31 March 2022

(All amounts in ₹, unless stated otherwise)

Particulars	Notes	As at 31 March 2022
ASSETS		
Non-current assets		
Capital work-in progress	3	4,533,690
Other non-current assets	4	7,781,932
Total non-current assets		12,315,622
Current assets		
Financial assets		
(i) Cash and cash equivalents	5	635,103
Other current assets	6	970,126
Total current assets		1,605,229
Total assets		13,920,851
EQUITY AND LIABILITIES		
Equity		
Equity share capital	7	1,000,000
Others equity	8	(1,970,975)
Total equity		(970,975)
Liabilities		
Current liabilities		
Financial liabilities		
(i) Other financial liabilities	9	14,889,126
Other current liabilities	10	2,700
Total current liabilities		14,891,826
Total liabilities		14,891,826
Total equity and liabilities		13,920,851

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

As per our report of even date attached

For Bansal & Co LLP

Chartered Accountants

Firm Registration No. : 001112N/N500079

Arpit Jain

Arpit Jain

(Partner)

Membership No. 520113



Place: New Delhi

Date: 05 May 2022

UDIN: 22520113AIMEBL9048

For and on behalf of the Board of Directors of
DCM Nouvelle Specialty Chemicals Limited

Hemant Bharat Ram

Hemant Bharat Ram

Managing Director

DIN : 00150933

Kulbir Singh

Director

DIN : 00204829

Sandeep Kumar Jain

Sandeep Kumar Jain

Chief Financial Officer

M. No. 078691

Mohd Sagir

Mohd Sagir

Company Secretary

M.No.: F11061

Place: New Delhi

Date: 05 May 2022

DCM Nouvelle Specialty Chemicals Limited
Cash flow statement for the year ended 31 March 2022
(All amounts in ₹, unless stated otherwise)

Particulars	For the year ended 31 March 2022
A. Cash flows from operating activities	
Net profit/(loss) before tax	(1,970,975)
Adjustments for :	
Interest expense	-
Operating profit before working capital changes	(1,970,975)
Movements in working capital:	
(Increase) in other financial assets	
Decrease/(increase) in other assets	(8,752,058)
Increase in financial liabilities	14,891,827
Increase/(decrease) in other liabilities	-
Cash generated from operations	4,168,794
Income-taxes paid (net of refund)	-
Net cash flow generated from operating activities (A)	4,168,794
B. Cash flows from investing activities	
Purchase of property, plant and equipment (including capital work-in-progress, capital advance and capital creditors)	(4,533,690)
Proceeds from sale of property, plant and equipment	-
Net cash (used in) investing activities (B)	(4,533,690)
C. Cash flow from financing activities	
Subscription of share capital	1,000,000
Finance charges paid	-
Net cash used in financing activities (C)	1,000,000
D. Net Increase in cash and cash equivalents during the year (A+B+C)	635,103
E. Cash and cash equivalents at the beginning of the year	635,103
F. Cash and cash equivalents at the end of the year	635,103
G. Components of cash and cash equivalents	
Balances with banks:	
- Current accounts	635,103
Cash and cash equivalents as at the end of the year	635,103

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

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

As per our report of even date attached

For Bansal & Co LLP
Chartered Accountants

Firm Registration No. : 001112N/N500079


Arpit Jain
(Partner)

Membership No. 520113



For and on behalf of the Board of Directors of
DCM Nouvelle Specialty Chemicals Limited

Hemant Bharat Ram
Managing Director
DIN : 00150933

Kulbir Singh
Director
DIN : 00204829



Sandeep Kumar Jain
Chief Financial Officer
M. No. 078691


Mohd Sagir
Company Secretary
M.No.: F11061

Place: New Delhi
Date: 05 May 2022

UDIN: 22520113 AIMEBL9048

Place: New Delhi
Date: 05 May 2022

DCM Nouvelle Specialty Chemicals Limited
Statement of changes in equity for the year ended 31 March 2022
(All amounts in ₹, unless stated otherwise)

A. Equity share capital

Particulars	Number of shares	Amount
Balance as at 01 April 2021	-	-
Changes in equity share capital during the year*	100,000	1,000,000
Balance as at 31 March 2022	100,000	1,000,000

* 76% of share capital held by holding company DCM Nouvelle Limited and 24% by Mr. Hemant Bharat Ram, Promoter

B. Other equity

(Rupees in lacs)

Particulars	Reserve and surplus		Total
	Securities premium	Retained earnings	
Balance as at 01 April 2021	-	-	-
Profit/(Loss) for the year	-	(1,970,975)	(1,970,975)
Other comprehensive income for the year	-	-	-
Balance as at 31 March 2022	-	(1,970,975)	(1,970,975)

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

As per our report of even date attached

For Bansal & Co LLP
Chartered Accountants

Firm Registration No. : 001112N/N500079

Arpit Jain
(Partner)

Membership No. 520113



Place: New Delhi

Date: 05 May 2022

UDIN: 22520113AIMEBL9048

For and on behalf of the Board of Directors of
DCM Nouvelle Specialty Chemicals Limited

Hemant Bharat Ram
Managing Director
DIN : 00150933

Kulbir Singh
Director
DIN : 00204829

Sandeep Kumar Jain
Chief Financial Officer
M. No. 078691

Mohd. Sagir
Company Secretary
M.No.: F11061

Place: New Delhi

Date: 05 May 2022

DCM Nouvelle Specialty Chemicals Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

1 Company Overview and basis of preparation and presentation

1.1 Company overview

DCM Nouvelle Specialty Chemicals Limited (herein after referred to as 'the Company') is domiciled in India with its registered office situated at Vikrant Tower, 4, Rajendra Place, New Delhi-110008, (CIN: U24290DL2022PLC393180). The Company has been incorporated under the provision of Indian Companies Act and is subsidiary company of DCM Nouvelle Limited. The Company, primarily, engaged in the business of manufacturing and sale of Specialty Chemicals.

1.2 General information and statement of compliance with Ind AS

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time and notified under Companies Act 2013, and other relevant provisions of the Act.

The financial statements were authorised for issue by the Company's Board of Directors on 05 May 2022.

a. Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency.

b. Basis of measurement

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

Items	Measurement basis
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	Amortised cost

c. Use of estimates and judgements

In preparing these financial statements, management has made judgments, 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 on-going basis. Revisions to accounting estimates are recognised prospectively.

Judgements

In the process of applying Company's accounting policies, there are no significant judgments established by the management.

Assumptions and estimation uncertainties

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

Note 2 (b) - measurement of fair values

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

Note 2 (e) - Valuation of inventory

Note 2 (f) - Estimated impairment of financial assets.

Note 2 (g) - Estimated impairment of non-financial assets

Note 2 (h) - Measurement of defined benefit obligations

Note 2 (i) - Recognition and measurement of provisions and contingencies

Note 2 (l) - Recognition of deferred tax assets availability of future taxable profit against which tax losses carried forward can be used.



DCM Nouvelle Specialty Chemicals Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

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.

2. Significant accounting policies

Following significant accounting policies are used in the preparation of the financial statements.

a. Current and non-current classification:

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

Assets

An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- It is held primarily for the purpose of being traded;
- It is expected to be realised within 12 months after the reporting date; or
- It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

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

Liabilities:

A liability is classified as current when it satisfies any of the following criteria:

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- The Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

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

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

b. Measurement of fair values

Company's certain accounting policies and disclosures require the measurement of fair values, for financial assets and financial liabilities.

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).

The finance team has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values and reports directly to the board of directors.



DCM Nouvelle Specialty Chemicals Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

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.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which change has occurred.

c. Business Combination under Common Control

A business combination involving entities or businesses under common control is a business combination in which all the combining entities or businesses are ultimately controlled by the same party or parties both before and after the business combination and the control is not transitory. The transactions between entities under common control are specifically covered by Ind. AS 103. Such transactions are accounted for using the pooling-of interest method.

The assets and liabilities of the acquired entities or businesses are recognised at their carrying amounts with the exception of certain income tax and deferred tax assets. No adjustments are made to reflect fair values or recognise any new assets or liabilities. The only adjustments that are made are to harmonise accounting policies. The components of equity of the acquired entities or businesses are added to the same components within the acquirer's equity. The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital held by the transferor is transferred to other equity. The acquirer's shares issued in consideration for the acquired entities or businesses are recognised from the moment the acquired entities or businesses are included in these financial statements and the financial statements are combined under common control, retrospectively, as if the transaction had occurred at the beginning of the earliest reporting period presented. Acquisition-related costs are expensed as incurred.

d. Property, Plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use. The cost of self-constructed assets includes the cost of materials, direct labour, and any other costs directly attributable to bringing the assets to a working condition and location for their intended use.

When parts of an item of property, plant and equipment having significant cost have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

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

All spare parts which are expected to be used for more than one accounting period are capitalised as property, plant and equipment.

Capital work-in-progress is stated at cost, net of impairment loss, if any.

The cost replacing part of an item of property, plant and equipment is recognised in the carrying amount of the cost of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the statement of profit and loss as incurred.

Depreciation is provided on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using straight line method.



DCM Nouvelle Specialty Chemicals Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

On assets sold, discarded, etc., during the year, depreciation is provided up to the date of sale/discard. Depreciation has been calculated on a pro-rata basis in respect of acquisition/installation during the year. Freehold land is not depreciated.

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

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.

e. Inventories

Inventories are valued at lower of cost or net realisable value. Cost of raw material comprise cost of purchase and is determined after rebate and discounts. Cost of work-in-progress and finished goods comprises direct material, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity.

Cost of inventories also include all other cost incurred in bringing the inventories to their present location and condition. Costs are determined on weighted average cost basis.

Waste material is valued at net realisable value.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. When a decline in the price of materials indicates that the cost of finished products exceeds net realisable value, the materials are written down to net realisable value. Net realisable value of raw material is determined with reference to the replacement cost of the raw materials.

f. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability of equity instrument of another entity.

Recognition and initial measurement

(i) Financial assets

Financial assets are classified at initially recognised as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL)

With the exception of trade receivable that do not contain a significant financing component, the Company initially measures financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables do not contain a significant financing component and are measured at the transaction price determined under Ind AS 115, Refer to the accounting policies in section (j) Revenue recognition.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e. the date that the Company commits to purchase or sell the asset.

Classification and subsequent measurement

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

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

All equity investment in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applied are classified as at



DCM Nouvelle Specialty Chemicals Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. The Company elected to classify irrevocably its non-listed equity investments under this category. If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instruments, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to the Statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

All financial assets not classified as measured at amortised cost or FVOCI are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Impairment

The Company recognises 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 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 amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised 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 the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement profit or loss.

(iii) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

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 expired.

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.



DCM Nouvelle Specialty Chemicals Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

g. Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in estimate used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

h. Employee benefits

Short-term employee benefits:

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. Employee benefit liabilities such as salaries, wages, casual leave allowance and bonus, etc. that are expected to be settled wholly within twelve months after the end of the year in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting year and are measured at an undiscounted amount expected to be paid when the liabilities are settled.

Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts.

Provident Fund and Employees State Insurance: The contributions made by the company 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.

Defined benefit plans

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Company has following defined benefit plans:

Gratuity: The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary, using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured as the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government securities as at the balance sheet date for the estimated term of the obligation.



DCM Nouvelle Specialty Chemicals Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

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

Other employee benefits plan

Compensated absences: Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year and are treated as short term employee benefit. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be available or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields on Government securities. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss in the period in which they arise. Past-service costs are recognised immediately in the statement of profit and loss.

i. Provisions, contingent liabilities and contingent assets

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the amount of time value of money is material, 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 recognised 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.

Contingent assets are neither recognised nor disclosed except when realisation of income is virtually certain, related asset is recognised.

j. Revenue Recognition

Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods before transferring them to the customer.

i Sale of goods

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer. In case of domestic sales, control is transferred on actual delivery of goods and in case of export sales which are secured against letter of credit, control is transferred at the time of bill of lading and in case of other export sales, control is transferred when payment is received and there are no unfulfilled obligations. Amounts disclosed as revenue are net of returns and allowances, trade discounts and rebates. The Company collects Goods and Services Tax on behalf of the government and therefore, these are not economic benefits flowing to the Company. Hence, these are excluded from the revenue.

Revenue is measured based on the transaction price, which is the consideration, adjusted for variable consideration such volume discounts, cash discounts etc. as specified in the contract with the customer.

Contact asset is the entity's right to consideration in exchange for goods or services that the entity has transferred to the customer. A contract asset becomes a receivable when the entity's right to consideration is unconditional, which is the case when only the passage of time is required before payment of the consideration is due. Contract assets are disclosed in Note 9 as Trade receivables.

Contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfer goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is



DCM Nouvelle Specialty Chemicals Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

earlier). Contract liabilities are recognised as revenue when the Company performs under the contract. Contract liabilities are disclosed in Note 24 as advance received from customers.

ii Rendering of services

Revenue from sale of services is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and is recognised in the statement of profit and loss in proportion to the stage of completion of the transaction at the reporting date

iii. Duty Drawback and other export benefits

The revenue in respect of duty drawback and similar other export benefits is recognised on accrual (subsequent to recording of export sales) basis at the rate at which the entitlements accrue.

Use of significant judgements in revenue recognition

- a) Judgement is also required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration of variable consideration with elements such as volume discounts, price concessions and incentives. Any consideration payable to the customer is adjusted to the transaction price, unless it is a payment for a distinct product of service from the customer. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. The Company allocates the elements of variable consideration to all the performance obligations of the contract unless there is observable evidence that they pertain to one or more distinct performance obligations.
- b) The Company uses judgement to determine an appropriate selling price for a performance obligation. The Company allocates the transaction price to each performance obligations on the basis of the relative selling price of each distinct product promised in the contract.
- c) The Company's performance obligation under revenue contracts, is satisfied at a point in time and judgement is exercised in determining point in time.

iv. 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.

k. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company accounts for each lease component within the contract as a lease separately from non-lease components of the contract and allocates the consideration in the contract to each lease component on the basis of the relative standalone price of the lease component and the aggregate standalone price of the non-lease components.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease



DCM Nouvelle Specialty Chemicals Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses. If any and adjusted for any remeasurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payment, that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and the statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognised any remaining amount of the re-measurement in the statement of profit and loss.

1. Income taxes

Income tax comprises current and deferred tax. Current tax expenses is recognised in the statement of profit or loss except to the extent that is relates to items recognised directly in other comprehensive income or equity, in which case it is recognised in other comprehensive income or equity.

i. Current tax

Current tax comprises the expected tax payable 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 rate (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 amount, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred Tax

Deferred tax is recognised 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 recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised 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 recognised 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 recognises a deferred tax assets 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 realised. Deferred tax assets – unrecognised or recognised are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.



DCM Nouvelle Specialty Chemicals Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

Deferred tax is measured at the tax rates that are expected to apply to the period when the assets is realised 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.

m. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker.

In accordance with Ind AS 108-Operating Segments, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance.

The Board of Directors is collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. The Company has only one reportable business segment i.e. manufacture of Specialty Chemicals.

n. 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.

o. Earnings per share

Basis earning 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 adjust the figures used in the determination of basis earning per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity share, and
- the weighted average number of additional equity share that would have been outstanding assuming the conversion of all dilutive potential equity shares.

p. Borrowing cost:

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

q. Government grant:

Grants from the Government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the statement of profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other operating income/other income.



DCM Nouvelle Specialty Chemicals Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to statement of profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

r. Foreign currency transactions and translation

Company's functional currency is Indian Rupee (INR) and the financial statements are presented in Indian Rupee (INR).

Transactions in foreign currencies are translated into the functional currencies of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. The resulting difference is recorded in the statement of profit and loss.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in statement of profit or loss.

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

s. Recent accounting pronouncements.

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23 March 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 01 April 2022, as below:

a) **Ind AS 103** –The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

b) **Ind AS 16** – The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

c) **Ind AS 37** – Onerous Contracts - the amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

d) **Ind AS 109** – The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.



DCM Nouvelle Specialty Chemicals Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts in ₹, unless stated otherwise)

Particulars	As at 31 March 2022
3. Capital work-in progress	
Carrying Value As on 01.04.2021	-
Additions	4,533,690
Disposals/adjustments	-
Carrying Value as on 31.03.2022	<u>4,533,690</u>

Ageing for capital work-in-progress as at March 31, 2022 is as follows :

Particulars	Amount in Capital work-in-progress for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	4,533,690	-	-	-	4,533,690
	<u>4,533,690</u>	-	-	-	<u>4,533,690</u>

Particulars	As at 31 March 2022
4. Other non-current assets	
Unsecured, considered good	
Capital advances *	7,737,932
Security deposits	44,000
	<u>7,781,932</u>

* Paid to DMIC, Ujjain as advance for land

Particulars	As at 31 March 2022
5. Cash and cash equivalents	
Balances with banks-in current accounts	635,103
	<u>635,103</u>

Particulars	As at 31 March 2022
6. Other current assets	
Advance to suppliers	114,023
Balance with government authorities	812,915
Prepaid expenses	43,188
	<u>970,126</u>

Particulars	As at 31 March 2022
9. Other current financial liabilities	
Advance from Holding Company	14,806,411
Employee dues payables	13,165
Sundry Creditors	69,550
	<u>14,889,126</u>

10. Other current liabilities	
Statutory dues payables	2700
Total	<u>2700</u>



DCM Nouvelle Specialty Chemicals Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts in ₹ unless stated otherwise)

Particulars	As at 31 March 2022
7. Equity share capital	
a) Authorised share capital	
20,000,000 equity shares of ₹ 10 each	200,000,000
	<u>200,000,000</u>
b) Issued share capital	
91,00,000 equity shares of ₹ 10 each fully paid-up	91,000,000
Total issued share capital	<u>91,000,000</u>
c) Subscribed and fully paid-up share capital	
100,000 equity shares of ₹ 10 each fully paid-up	1,000,000
Total issued, subscribed and fully paid-up share capital	<u>1,000,000</u>

d) Terms and rights attached to equity shares

The Company has issued one class of equity shares having at par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share with a right to receive per share dividend declared by the Company. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportion to the number of shares held by shareholder. There is no restriction on distribution of dividend. However, distribution of dividend is subject to the approval of the shareholders in the Annual General Meeting.

e) Reconciliation of equity shares outstanding at the beginning and at the end of year:

Being the first year of incorporation of company, reconciliation with corresponding previous year is not required.

f) Details of equity shareholders holding more than 5% shares in the Company*

Name of shareholders	As at 31 March 2022	
	Number of shares	% of holding
DCM Nouvelle Limited	76,000	76.00%
Mr. Hemant Bharat Ram	24,000	24.00%

*As per the records of the Company, including its register of shareholder/members and other declarations, if any, received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

Particulars	As at 31 March 2022
8. Other equity	
Securities premium	
Balance as at the beginning of year	-
Balance as at the end of year	<u>-</u>
Retained earnings	
Balance at the beginning of the year	-
Add: transferred from statement of profit and loss	(1,970,975)
Add: other comprehensive income	-
Balance at the end of the year	<u>(1,970,975)</u>
Total	<u>(1,970,975)</u>

Nature and purpose of other equity:

Retained earnings

Retained earnings of the Company are kept aside out of the Company's profits to meet future (known or unknown) obligations.



DCM Nouvelle Specialty Chemicals Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts in ₹, unless stated otherwise)

Particulars	For the year ended 31 March 2022
11. Employee benefits expense	
Salaries and wages	13,165
Total	13,165
<hr/>	
Particulars	For the year ended 31 March 2022
12. Other expenses	
Bank Charges	472
Rent	21,240
Audit fees	25,000
Preliminary Expenses	1,885,341
Rates and taxes	25,757
Total	1,957,810



DCM Nouvelle Specialty Chemicals Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022
(All amounts in ₹, unless stated otherwise)

Note 13 : Earnings per share (EPS)

Basic earnings per share are calculated by dividing the profit for the year attributable to equity holders by the weighted average number of Equity shares outstanding during the year.

Particulars	For the year ended
Profit attributable to equity holders	(1,970,975)
Weighted average number of equity shares for basic and diluted earnings per share	100,000
Basic and diluted earnings per share (Face value per equity share ₹ 10 each) (in ₹)	(19.71)

Note 14: Segment Information

Description of segments and principal activities

The Company, primarily, engaged in the business of manufacturing and sale of Specialty Chemicals.

Note 15: Rounding off

Major figures are disappearing from financials due to rounding off. Hence Management has decided for not rounding off figures in financials statements due to small numbers.

Note 16: Contingent liabilities and commitments

A. Contingent liabilities

The Company has no contingent liabilities for the year ended 31 March 22.

B. Commitments

Particulars	As at 31 March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	115,973,471

Note 17: Related party disclosures:

In accordance with the requirements of Ind AS 24 on Related Party Disclosures, the names of the related party where control/ability to exercise significant influence exists, along with the aggregate amount of transactions and year end balances with them as identified and certified by the management are given below:

Name and description of relationship of the related party

Holding Company

DCM Nouvelle Limited

Key management personnel

Name	Relationship
1. Mr. Hemant Bharat Ram	Managing Director
2. Mr. Vivek Chhachhi	Independent Director
3. Mr. Kulbir Singh	Independent Director
4. Mr. Sandeep Kumar Jain	Chief Financial Officer
5. Mr. Mohd. Sagir	Company Secretary

Transactions with related parties

Particulars	For the year ended 31 March 2022
DCM Nouvelle Limited	
Advance received	14,806,411
Equity Investment (100000 Equity Shares @10/- at par)	1,000,000

Transactions with key management personnel

Particulars	For the year ended 31 March 2022

Remuneration paid to key managerial personnel

Salary, allowance, sitting fees and contribution to provident fund (as applicable)

Mr. Hemant Bharat Ram	Nil
Mr. Vivek Chhachhi	Nil
Mr. Kulbir Singh	Nil
Mr. Sandeep Kumar Jain- Chief Financial Officer	Nil
Mr. Mohd. Sagir - Company Secretary	Nil

Year end balances

Particulars	As at 31 March 2022
Payable	
DCM Nouvelle Limited	14,806,411



DCM Nouvelle Specialty Chemicals Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts in ₹, unless stated otherwise)

Note 17: Fair value measurement of 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 on 31 March 2022

Particulars	Carrying value				Fair value measurement using			
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3	Level 3
Financial assets								
Non-current								
Investments			-	-			-	-
Loans *	-	-	-	-	-	-	-	-
Other financial assets *	-	-	-	-	-	-	-	-
Current								
Trade receivables *	-	-	-	-	-	-	-	-
Cash and cash equivalents *	-	-	635,103	635,103	-	-	-	-
Bank balances other than Cash and cash	-	-	-	-	-	-	-	-
Loans *	-	-	-	-	-	-	-	-
Other financial assets *	-	-	970,126	970,126	-	-	-	-
Total	-	-	1,605,229	1,605,229	-	-	-	-
Financial liabilities								
Non-current								
Borrowings#	-	-	-	-	-	-	-	-
Other financial liabilities*	-	-	14,889,126	14,889,126	-	-	-	14,889,126
Current								
Borrowings#	-	-	-	-	-	-	-	-
Trade payables*	-	-	-	-	-	-	-	-
Other current financial liabilities*	-	-	-	-	-	-	-	-
Total	-	-	14,889,126	14,889,126	-	-	-	14,889,126

The Company's borrowings have been contracted at floating rates of interest. Accordingly, the carrying value of such borrowings (including interest accrued but not due) approximates fair value.

* 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. The carrying value of loans and other non-current financial assets and other non-current financial liabilities approximates the fair values as on the reporting date.

Valuation technique used to determine fair value

The fair values of Long term interest-bearing borrowings and loans are determined by using Discounted Cash Flow (DCF) method using risk free rate, adjusted for risk premium and other factors that market participants would take into account in the circumstances, as discount rate at the end of the reporting period. The own non-performance risk was assessed to be insignificant. Other non-current assets and liabilities are evaluated by the Group based on parameters such as interest rate, risk factors, risk characteristics and individual credit-worthiness of the counterparty. Based on this evaluation, allowances are taken into account for the expected losses.

b. Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors have authorised senior management to establish the processes, who ensures that executive management controls risks through the mechanism of properly defined framework.

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

(i) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.

The maximum exposure to the credit risk at the reporting date is primarily from domestic trade receivables as export receivables are secured through letter of credit and are derived from revenue earned from customers primarily located to China and Bangladesh. Domestic trade receivables are generally unsecured and are derived from revenue earned from customers primarily located in India. The Company continuously monitors the economic environment in which it operates. The Company manages its Credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Company grants credit terms in the normal course of business.

Majority of trade receivables are from customers, which are fragmented and are not concentrated to individual customers. Trade receivables are generally realised within the credit period.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience (including of the period prior to acquisition of the related business) and adjusted for forward-looking information. The expected credit loss allowance is based on the ageing of the days the receivables are due and are not expected to be recoverable. Ageing matrix is disclosed below:

The credit risk for cash and cash equivalents, balances other than cash and cash equivalents, loans and Other financial assets is considered negligible, since the counterparties are reputable organisations with high quality external credit ratings.



DCM Nouvelle Specialty Chemicals Limited

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts in ₹, unless stated otherwise)

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they 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 liquidity position, anticipated future internally generated funds from operations, and its fully available, revolving undrawn credit facility will enable it to meet its future known obligations in the ordinary course of business. However, if a liquidity needs were to arise, the Company believes it would be able to approach and materialise new financing arrangements, which should enable it to meet its ongoing capital, operating, and other liquidity requirements. The Company will continue to consider various borrowing or leasing options to maximise liquidity and supplement cash requirements as necessary.

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

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

II. Maturities of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the 31 March 2022. The amounts are gross and undiscounted:

Particulars	Carrying amount	Contractual cash flows			
		Less than one year	Between one year and five years	More than 5 years	Total
Non-current liabilities					
Borrowings *	-	-	-	-	-
Other financial liabilities	-	-	-	-	-
Current liabilities					
Borrowings	-	-	-	-	-
Trade payables	-	-	-	-	-
Other financial liabilities*	14,889,126	14,889,126			14,889,126
Total	14,889,126	14,889,126			14,889,126

* 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.

Note 18: Capital management

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

The Company monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts adjusted with available cash and bank balances divided by total capital (equity attributable to owners of the Company).

Particulars	As at 31 March 2022
Borrowings	-
Less: cash and bank balances	635,103
Adjusted net debt (A)	(635,103)
Total equity (B)	(970,975)
Adjusted net debt to total equity ratio (A/B)	0.65

Note 19: Relationship with Struck off Companies

The Company has not entered into any transactions with the companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 and do not have any outstanding balance as at the year ended 31 March 2022 and 31 March 2021.



DCM Nouvelle Specialty Chemicals Limited
Summary of significant accounting policies and other explanatory information for the year ended 31 March 2022

(All amounts in ₹, unless stated otherwise)

Note 20: Ratios

Sr. No	Ratios	Formulas for Computation	Measures	31 March 2022
(i)	Current ratio	Curren assets/current liabilities	Times	0.11
(ii)	Debt-equity ratio	Total debts/net worth	Times	NA
(iii)	Debt service coverage ratio	EBITDA/debt service	Times	NA
(iv)	Return on equity ratio	PAT/average total equity	Percentage	NA
(v)	Inventory turnover ratio	COGS/average Inventory	Times	NA
(vi)	Trade receivable turnover ratio	Revenue from operations /average Debtors	Times	NA
(vii)	Trade payable turnover ratio	Other expenses net off non cash expenses and CSR/ Average accounts payable	Times	NA
(viii)	Net capital turnover ratio	Revenue from operations/ Average working capital (i.e total current assets less total current	Times	NA
(ix)	Net profit ratio	PAT/revenue from operations	Percentage	NA
(x)	Return on capital employed	EBIT/capital employed (net worth+lease liabilities+deferred tax liabilities)	Percentage	NA
(xi)	Return on investments	PBT/total assets	Percentage	NA

Note 21: Other statutory information

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (iii) The Company have not traded or invested in Crypto currency or Virtual Currency during the period/year.
- (iv) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (v) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,
- (vi) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

As per our report of even date attached

For Bansal & Co LLP
Chartered Accountants

Firm Registration No. : 001112N/N500079

Arpit Jain
(Partner)

Membership No. 520113

Place: New Delhi

Date: 05 May 2022

UOIN: 22520113AIMEBL9048



For and on behalf of the Board of Directors of
DCM Nouvelle Specialty Chemicals Limited

Hemant Bharat Ram
Managing Director
DIN : 00150933

Sandeep Kumar Jain
Chief Financial Officer
M. No. 078691

Kulbir Singh
Director
DIN : 00204829

Mohd Saqib
Company Secretary
M.No.: F11061

Place: New Delhi

Date: 05 May 2022