

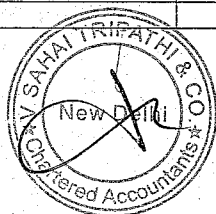
# DCM FINANCIAL SERVICES LIMITED

CIN L65921DL1991PLC043087

Regd. Office:- D7/3,(Mezzanine Floor), Okhla Industrial-Area, Phase - 2, New Delhi - 110020.

## Statement of Standalone Unaudited Financial Results for the Quarter and Nine Months ended December 31, 2023

Particulars	(Rupees in Lakhs except per share data)					
	Quarter Ended			Nine Months Ended		Year Ended
	31-12-2023	30-09-2023	31-12-2022	31-12-2023	31-12-2022	31-03-2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I. Revenue from Operations	-	-	-	-	-	-
II. Other Income	8.16	12.85	22.03	62.79	74.07	103.12
III. Total Income (I +II)	8.16	12.85	22.03	62.79	74.07	103.12
IV. Expenses						
Cost of Material Consumed	-	-	-	-	-	-
Purchases of Stock-in-trade	-	-	-	-	-	-
Changes in inventories of finished goods, Work-in-progress and stock-in-trade	-	-	-	-	-	-
Employee Benefits Expenses	15.58	18.66	13.19	49.85	39.60	64.96
Finance Costs	0.27	0.28	0.10	0.82	0.30	0.42
Depreciation and amortisation expenses	8.18	8.19	8.18	24.55	24.54	32.72
Other Expenses:						
a) Consumption of Stores and Spares	-	-	-	-	-	-
b) Power and Fuel	0.14	0.43	0.06	0.96	0.77	0.77
c) Operational Expenses	-	-	-	-	-	-
d) Security Services Charges	-	-	-	-	-	-
e) Repairs and Maintenance	0.08	0.09	0.01	0.29	0.36	0.64
f) Water Charges	0.05	0.06	0.06	0.18	0.18	0.23
g) Insurance	-	-	-	-	-	-
h) Bank Charges	0.02	0.06	0.05	0.14	0.10	0.17
i) Rent, Rates & Taxes	0.97	0.65	0.91	2.47	2.33	4.65
j) Other Expenses	13.25	20.56	36.12	47.15	67.58	89.02
Total Expenses (IV)	38.54	48.98	58.68	126.41	135.76	193.58
V. Profit/(Loss) before exceptional items and tax (III-IV)	(30.38)	(36.13)	(36.65)	(63.62)	(61.69)	(90.46)
VI. Exceptional items	-	-	-	-	-	-
VII. Profit/(Loss) before tax (V-VI)	(30.38)	(36.13)	(36.65)	(63.62)	(61.69)	(90.46)
VIII. Tax Expense						
(1) Current tax	-	-	-	-	-	-
(2) Deferred tax	(3.20)	(5.03)	(10.84)	(3.23)	(12.15)	398.59
(3) Previous Year Tax	(0.01)	3.80	0.00	3.79	(4.81)	(4.81)
IX. Profit/(Loss) for the period from continuing operations (VII-VIII)	(27.17)	(34.90)	(25.81)	(64.18)	(44.73)	(484.24)
X. Profit/(Loss) from discontinued operations						
XI. Tax expense of discontinued operations	-	-	-	-	-	-
XII. Profit/(Loss) from Discontinued operations (after tax) (X-XI)	-	-	-	-	-	-
XIII. Profit/(Loss) for the period (IX+XII)	(27.17)	(34.90)	(25.81)	(64.18)	(44.73)	(484.24)
XIV. Other Comprehensive Income						
(A) (i) Items that will not be reclassified to profit or loss	(0.07)	(0.08)	(0.24)	(0.22)	(0.72)	(0.29)
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.02	(0.06)	0.07	(0.02)	(0.06)	(0.21)
(B) (i) Items that will be classified to profit or loss	-	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
XV. Total Comprehensive Income for the period (XIII+XIV)	(27.22)	(35.04)	(25.98)	(64.42)	(45.51)	(484.74)
(Comprising Profit (Loss) and Other Comprehensive Income for the Period)						
XVI. Paid up Equity Share Capital (Face Value of Rs. 10/- Each)	-	-	-	-	-	2212.51
XVII. Other Equity	-	-	-	-	-	(7013.71)
Reserves excluding Revaluation Reserves as per balance sheet	-	-	-	-	-	-
XVIII. Earnings per equity share ( not annualised)						
(1) Basic	(0.12)	(0.16)	(0.12)	(0.29)	(0.21)	(2.19)
(2) Diluted	(0.12)	(0.16)	(0.12)	(0.29)	(0.21)	(2.19)



(1) The above results have been reviewed by Audit Committee meeting held on 8th February 2024 and thereafter approved by the Board of Directors at their meeting held on 8th February 2024

(2) The Statutory Auditors have carried out Limited Review of the financial results of the Company for the quarter and Nine Months ended December 31, 2023 under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(3) The above results are prepared in accordance with Indian Accounting Standards ("Ind AS"), the provisions of the Companies Act, 2013 ("the Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

(4) The figures for the previous period/year have been regrouped/reclassified, wherever necessary, to conform to the current period/year classification

(5) As the Company's business activity falls within a single segment, therefore "Segment Reporting" are not applicable.

(6) The above financial results of the Company are available on the Company's website [www.dfsonline.in](http://www.dfsonline.in) and also at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

For DCM Financial Services Ltd

Nidhi Deveshwar  
Additional(Whole Time)  
Director  
DIN : 09505480  
Date: 08 Feb-2024  
Place : Delhi



## **LIMITED REVIEW REPORT**

To  
The Board of Directors  
DCM Financial Services Limited

1. We have reviewed the accompanying statement of unaudited standalone financial results of DCM Financial Services Limited having its registered office at D-7/3, (Mezzanine Floor), Okhla Industrial Area, Phase-2, New Delhi-110020 (the "Company") for the quarter and nine months ended December 31, 2023, which are included in the accompanying 'Statement of unaudited standalone financial results for the quarter and nine months ended December 31, 2023' together with the notes thereon (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), as amended, which has been initialed by us for identification purposes. The Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to making inquiries of persons responsible for financial and accounting matters and applying analytical procedures and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above subject to the notes and audit qualifications and consequential effects thereto not considered by company as referred in notes attached as per annexure 'A', nothing has come to our attention that causes us to believe that the Statement, prepared in all material respects in



accordance with IND AS specified under section 133 of the Companies Act, 2013 as amended, and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

### Other Matter

The standalone financial results include the results for the quarter ended December 31, 2023 being the balancing figures between the unaudited results in respect of the nine months ending December 31, 2023 and the six months ending September 30, 2023 of the current financial year. Our report on the statement is not modified in respect of this matter.

## ANNEXURE 'A'

### NOTES TO LIMITED REVIEW REPORT

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1. **NON PROVISION OF INTEREST ON SECURED/UNSECURED LOANS**  
The Company has not provided the interest on the following liabilities for the quarter ended 31<sup>st</sup> December, 2023:-
  - (a) Interest on debentures @ 10% as per offer letter on 19.5% Debentures amounting to approx. Rs. 40.54 lacs.
  - (b) Interest on bills payable and fixed deposits amounting to approx. Rs. 103.32 lacs.
  - (c) Interest of Inter Corporate Deposit (ICD): Nil\*

To the extent of non-provision of interests as stated above the Loss of the Company for quarter ending 31<sup>st</sup> December 2023 is understated by Rs. 143.86 lacs.

\*The company has repaid the outstanding ICD of 13.50 lakhs on 26<sup>th</sup> June 2023 and accordingly no interest provision is required for the quarter ending December 31, 2023 in respect of ICD.

2. **OTHER MAJOR AUDIT OBSERVATIONS AS PER THE AUDITED FINANCIALS 31<sup>st</sup> MARCH, 2023 WHICH NEED TO BE READ WITH THIS REPORT**
  - (i) Justice Anil Kumar\* as one man committee was appointed vide order dated:- 3<sup>rd</sup> September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes. The one man committee submitted its report on to Hon'ble High Court of Delhi on 22<sup>nd</sup> April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10<sup>th</sup> August, 2017 accepted the recommendation of one man committee enumerated in the report. Under Scheme of One Man Committee, Interest of Rs 235 Lacs are payable to Debenture Holders and Rs 1,448 Lacs are payable



to Fixed Depositors under Phase-2 of Schedule of Payments laid down by One Man Committee. Presently the said committee has waived any further payment of Interest to Fixed Depositors, Debenture-holders and other lenders, however on complete liquidation of properties and investments, if any surplus remains after payment to all stakeholder creditors, then further payment of Interest would be decided. All stakeholders creditors which are covered under scheme has given its consent to the scheme. No provision of Rs. 1,683 Lacs as laid down under the scheme towards Interest on Debentures and Fixed Deposits, have been provided in the financial statements on the outstanding amount of Debentures and Fixed Deposits.

Had interest of Rs. 1,683 Lacs been provided for in the financial statements of year ending 31<sup>st</sup> March 2018 on outstanding amount of Debentures and Fixed Deposits, the Net Profit before tax would have been lowered by Rs. 1,683 Lacs and Net Profit after tax would have been lowered by Rs. 1,340 Lacs as at 31<sup>st</sup> March, 2018. The cumulative net loss as well as Current Liabilities as at 31<sup>st</sup> March, 2023 would have been higher by Rs 1,340 Lacs.

*\*The Hon'ble High Court of Delhi has appointed Mr. Laxmi Kant Gaur, District Judge (Retd.) vide its order dated 29th July 2021, as the One Man Committee in place of Hon'ble Mr. Justice Anil Kumar (in view of his unfortunate demise). The One Man Committee would continue from the stage at which the exercise assigned to the One Man Committee by the High Court stands, at the stage when Hon'ble Mr. Justice Anil Kumar unfortunately expired. The agenda of the One Man Committee would be as per the order dated 3rd September, 2015, read with subsequent orders passed, if any, in that regard.*

- (ii) For redemption of 'B' series debentures of Rs. 2014.98 Lacs debenture redemption reserve is required to be created. Debenture redemption reserve of Rs. 2014.98 Lacs has not been created due to insufficient profits.
- (iii) The value of assets charged as security in favor of banks, debenture-holders & financial institutions have been depleted over a period of time. The depletion has not yet been ascertained by the Company. To the extent of shortfall, if any, the liability is unsecured, whereas the same has been shown as secured.
- (iv) Balance confirmation of bills receivable and payable, advances recoverable in cash or in kind, receivables and payables relating to lease and hire purchase, lease security deposit of which party wise details are not available. Balance confirmation of inter-corporate deposits, balance of ex-employees, margin against L/C, loans from institutions, banks, and other receivables and payables have not been received from the parties/persons concerned. In the absence of balance confirmation the closing balances as per books of accounts have been incorporated in the final accounts and have been shown, unless otherwise stated by the management about its recoverability in the financials including considering the NPA Provisions, are good for recovery/payment. Time barred debts under the Limitations Act have not been separately ascertained and written off or provided for. In the absence of such confirmation & corresponding reconciliation, it is not feasible for us to determine financial impact on the financials and the amount referred as payable in the financials can differ.



(v) **Contingent liabilities and Other Commitments**

- (a) During the financial year 2011-12, the company's tenant had filed a claim of Rs. 100 Lacs against the company due to damages suffered by the tenant which is still pending under arbitration proceedings as on 31<sup>st</sup> December, 2023.
- (b) There is an award passed by the High Court vide its judgment dated April 27, 2022 against the company in the matter of M/s MS Shoes East Limited for Rs. 12.82 lacs i.e. the claim amount, along with interest of Rs. 8.97 Lacs for an underwriting given by the company in the year 1995 for the public issue of M/s MS Shoes East Ltd.
- (c) Due to dispute with the builder namely M/s NBCC Ltd. from which the company had purchased an office premises in the year 1995, regarding a claim of Rs. 288.29 Lacs on account of increase in super area and certain other expenditure which the builder i.e. M/s NBCC Ltd. had incurred and the same is pending in arbitration. Breakup of the amount of Rs. 288.29 Lacs mentioned supra is as follows:

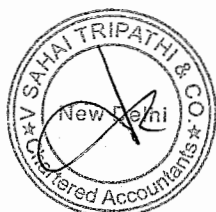
S. No.	Description	Amount in Lacs
1.	Difference in super area Vs. provisional area	229.28
2.	Claim of property tax	3.19
3.	Claim of ground rent	21.67
4.	Allied charges	7.82
5.	Augmentation of Electric sub station	1.33
6.	Loss of profit	20.00
7.	Arbitration cost	5.00
<b>TOTAL</b>		<b>288.29</b>

During the financial year ending March 31, 2021, the award was given in respect of dispute that has arisen between NBCC Ltd. (Claimant) and DCM Financial Services Limited (Respondent) in relation to sale of Commercial Space-Upper Ground Floor NBCC Place, Pragati Vihar, New Delhi by the Claimant to the respondent.

The summary of position of award is as under:

Party	Amount Claimed (in Lacs.)	Awarded (in Lacs)
NBCC Ltd.- Claimant	434.95	41.06
DCM Financial Services Limited - Counter Claimant/Respondent	3269.50	78.97

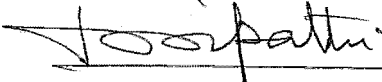
In addition to the above, Interest @ 10% is payable by both the parties on their respective amounts.



That whereas NBCC has filed objections to the award in Delhi High Court in December 2020 and the same appears to be lying in objections. That DCM has also filed objection in Delhi High Court and the same has not being listed so far.

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**For V Sahai Tripathi and Co.**  
Chartered Accountants  
Firm Regn. No. 000262N



**Vishwas Tripathi**  
**Partner**  
Membership No. 086897



Place: New Delhi  
Dated: 8<sup>th</sup> February, 2024

UDIN:  
24086897BKCSRL3266

# DCM FINANCIAL SERVICES LIMITED

CIN L65921DL1991PLC043087

Regd. Office:- D7/3,(Mezzanine Floor), Okhla Industrial Area, Phase - 2, New Delhi - 110020.

## Statement of Consolidated Unaudited Financial Results for the Quarter and Nine Months Ended December 31, 2023

(Rupees in Lakhs except per share data)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31-12-2023	30-09-2023	31-12-2022	31-12-2023	31-12-2022	31-03-2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
I. Revenue from Operations	-	-	-	-	-	-
II. Other Income	8.69	13.20	22.27	63.85	74.66	103.81
III. Total Income (I +II)	8.69	13.20	22.27	63.85	74.66	103.81
IV. Expenses						
Cost of Material Consumed	-	-	-	-	-	-
Purchases of Stock-in-trade	-	-	-	-	-	-
Changes in inventories of finished goods, Work-in-progress and stock-in-trade	-	-	-	-	-	-
Employee Benefits Expenses	15.58	18.66	13.19	49.85	39.60	64.96
Depreciation and amortisation expenses	8.57	8.32	8.41	25.32	25.23	33.65
Finance Costs	0.27	0.28	0.10	0.82	0.30	0.42
Other Expenses:						
a) Consumption of Stores and Spares	-	-	-	-	-	-
b) Power and Fuel	0.14	0.43	0.06	0.96	0.77	0.77
c) Operational Expenses	-	-	-	-	-	-
d) Security Services Charges	-	-	-	-	-	-
e) Repairs and Maintenance	0.28	0.16	0.14	0.55	0.53	0.81
f) Water Charges	0.05	0.06	0.06	0.18	0.18	0.23
g) Insurance	0.03	0.05	0.04	0.14	0.10	0.15
h) Bank Charges	0.03	0.07	0.05	0.19	0.13	0.20
i) Rent, Rates & Taxes	0.97	0.65	0.91	2.47	2.33	4.65
j) Other Expenses	13.57	20.20	36.26	47.26	67.50	89.21
Total Expenses (IV)	39.49	48.88	59.22	127.74	136.67	195.05
V. Profit/(Loss) before exceptional items and tax (III-IV)	(30.80)	(35.68)	(36.95)	(63.89)	(62.01)	(91.24)
VI. Exceptional items	-	-	-	-	-	-
VII. Profit/(Loss) before tax (V-VI)	(30.80)	(35.68)	(36.95)	(63.89)	(62.01)	(91.24)
VIII. Tax Expense						
(1) Current tax	-	-	-	-	-	-
(2) Deferred tax	(3.16)	(4.96)	(10.79)	(2.91)	(12.07)	398.50
(3) Previous Year Tax	(0.02)	3.80	0.00	3.78	(4.81)	(4.81)
IX. Profit/(Loss) for the period from continuing operations (VII-VIII)	(27.62)	(34.52)	(26.15)	(64.76)	(45.13)	(484.93)
X. Profit/(Loss) from discontinued operations	-	-	-	-	-	-
XI. Tax expense of discontinued operations	-	-	-	-	-	-
XII. Profit/(Loss) from Discontinued operations (after tax) (X-XI)	-	-	-	-	-	-
XIII. Profit/(Loss) for the period (IX+XII)	(27.62)	(34.52)	(26.15)	(64.76)	(45.13)	(484.93)
XIV. Other Comprehensive Income						
(A) (i) Items that will not be reclassified to profit or loss	(0.07)	(0.08)	(0.24)	(0.22)	(0.72)	(0.29)
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.02	(0.06)	0.07	(0.02)	(0.06)	(0.21)
(B) (i) Items that will be classified to profit or loss	-	-	-	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-
XV. Total Comprehensive Income for the period (XIII+XIV)	(27.67)	(34.66)	(26.33)	(65.00)	(45.91)	(485.43)
(Comprising Profit (Loss) and Other Comprehensive Income for the Period)						
XVI. Profit for the period attributable to:						
Owners of the Company	(27.57)	(34.56)	(26.16)	(64.70)	(45.13)	(484.86)
Non-controlling interests	(0.05)	0.04	0.00	(0.06)	(0.00)	(0.07)
XVII. Other Comprehensive Income attributable to:						
Owners of the Company	(0.05)	(0.14)	(0.17)	(0.24)	(0.78)	(0.50)
Non-controlling interests	-	-	-	-	-	-
XVIII. Total Comprehensive Income attributable to:						
Owners of the Company	(27.62)	(34.70)	(26.33)	(64.94)	(45.91)	(485.36)
Non-controlling interests	(0.05)	0.04	(0.00)	(0.06)	(0.00)	(0.07)
XIX. Paid up Equity Share Capital (Face Value of Rs. 10 Each)						2,212.51
XX. Other Equity						(6995.83)
XXI. Earnings per equity share (not annualised)						
(1) Basic	(0.12)	(0.16)	(0.11)	(0.29)	(0.20)	(2.21)
(2) Diluted	(0.12)	(0.16)	(0.11)	(0.29)	(0.20)	(2.21)





The above results have been reviewed by Audit Committee meeting held on 8th February 2024 and thereafter approved by the Board of Directors at their meeting on 8th February 2024

(2) The Statutory Auditors have carried out Limited Review of the financial results of the Company for the quarter and Nine Months ended December 31, 2023 under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(3) The above results are prepared in accordance with Indian Accounting Standards ("AS"), the provisions of the Companies Act, 2013 ("the Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

(4) The figures for the previous period/year have been regrouped/reclassified, wherever necessary, to conform to the current period/year classification

(5) As the Company's business activity falls within a single segment, therefore "Segment Reporting" are not applicable.

(6) The above financial results of the Company are available on the Company's website [www.dfslonline.in](http://www.dfslonline.in) and also at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com)

For DCM Financial Services Ltd

**Nidhi Deveshwar**  
**Additional (Whole Time)**  
**Director**  
**DIN : 09505480**

Date: 08 Feb-2024

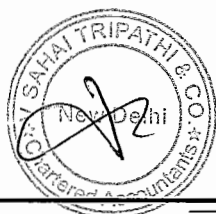
Place : Delhi

## LIMITED REVIEW REPORT

To  
The Board of Directors  
DCM Financial Services Limited

1. We have reviewed the unaudited consolidated financial results of *DCM Financial Services Limited* (the "Holding Company") having its registered office at D-7/3, (Mezzanine Floor), Okhla Industrial Area, Phase-2, New Delhi-110020, and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), for the quarter and nine months ended December 31, 2023, which are included in the accompanying 'Statement of unaudited consolidated financial results for the quarter and nine months ended December 31, 2023' together with the notes thereon (the "Statement"). The Statement has been prepared by the Holding Company pursuant to *Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015* (the "Listing Regulations, 2015"), which has been initialed by us for identification purposes. The Holding Company's Management is responsible for the preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Statement has been approved by the Holding Company's Board of Directors. Our responsibility is to express a conclusion on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement.
3. A review is limited primarily to making inquiries of persons responsible for financial and accounting matters and applying analytical procedures and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. The Statement includes the results of the following entities:

S.No.	Name of the Entity	Relationship
1.	DCM Financial Services Limited	Holding Company
2.	Global IT Options Ltd.	Subsidiary



5. Based on our review conducted as above subject to the notes and audit qualifications and consequential effects thereto not considered by the Holding Company as referred in notes attached as per annexure 'A', nothing has come to our attention that causes us to believe that the Statement, prepared in all material respects in accordance with IND AS specified under section 133 of the Companies Act, 2013 as amended, and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in terms of *Regulation 33 of the Listing Regulations, 2015* including the manner in which it is to be disclosed, or that it contains any material misstatement

#### Other Matter

1. The Statement includes the financial information of one subsidiary which have not been reviewed, whose interim financial information reflects total revenue of Rs. 1.56 lakhs (before consolidation adjustment) and total comprehensive loss of Rs. 0.59 lakhs (before consolidated adjustments) for the nine months ended 31st December 2023, as considered in the Statement. According to the information and explanation given to us by the management, these interim financial information is not material to the Group. Our conclusion on the Statement is not modified in respect of the above matter.
2. The consolidated financial results include the results for the quarter ended December 31, 2023 being the balancing figures between the unaudited consolidated results in respect of the nine months ending December 31, 2023 and the six months ending September 30, 2023 of the current financial year. Our conclusion on the statement is not modified in respect of this matter.

## ANNEXURE 'A'

### NOTES TO LIMITED REVIEW REPORT

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1. **NON-PROVISION OF INTEREST ON SECURED/UNSECURED LOANS**  
The Holding Company has not provided the interest on the following liabilities for the quarter ended 31 December, 2023:-
  - (a) Interest on debentures @ 10% as per offer letter on 19.5% Debentures amounting to approx. Rs. 40.54 lacs.
  - (b) Interest on bills payable and fixed deposits amounting to approx. Rs. 103.32 lacs.
  - (c) Interest of Inter Corporate deposits amounting to approx. Nil\*

To the extent of non-provision of interests as stated above the Loss of the Holding Company for quarter ending 31 December, 2023 is understated by Rs. 143.86 lacs.

\*The company has repaid the outstanding ICD of 13.50 lakhs on 26th June 2023 and accordingly no interest provision is required for the quarter ending December 31, 2023 in respect of ICD.



2. OTHER MAJOR AUDIT OBSERVATIONS AS PER THE CONSOLIDATED AUDITED FINANCIALS 31<sup>st</sup> MARCH, 2023 WHICH NEED TO BE READ WITH THIS REPORT

- (i) Justice Anil Kumar\* as one man committee was appointed vide order dated:- 3<sup>rd</sup> September, 2015 by the Hon'ble High Court of Delhi to scrutinize the list of depositors and other claimants and to take steps enumerated hereinafter with the view to resolve at-least some of the disputes. The one man committee submitted its report on to Hon'ble High Court of Delhi on 22<sup>nd</sup> April, 2016. Taking cognizance of the report, Hon'ble High Court of Delhi on 10<sup>th</sup> August, 2017 accepted the recommendation of one man committee enumerated in the report. Under Scheme of One Man Committee, Interest of Rs 235 Lacs are payable to Debenture Holders and Rs 1,448 Lacs are payable to Fixed Depositors under Phase-2 of Schedule of Payments laid down by One Man Committee. Presently the said committee has waived any further payment of Interest to Fixed Depositors, Debenture-holders and other lenders, however on complete liquidation of properties and investments, if any surplus remains after payment to all stakeholder creditors, then further payment of Interest would be decided. All stakeholder creditors which are covered under scheme has given its consent to the scheme. No provision of Rs. 1,683 Lacs as laid down under the scheme towards Interest on Debentures and Fixed Deposits, have been provided in the consolidated financial statements on the outstanding amount of Debentures and Fixed Deposits.

Had interest of Rs. 1,683 Lacs been provided for in the consolidated financial statements of year ending 31<sup>st</sup> March 2018 on outstanding amount of Debentures and Fixed Deposits, the Net Profit before tax would have been lowered by Rs. 1,683 Lacs and Net Profit after tax would have been lowered by Rs 1,340 Lacs as at 31<sup>st</sup> March, 2018. The cumulative net loss as well as Current / Non-Current Liabilities as at 31<sup>st</sup> March, 2023 would have been higher by Rs 1,340 Lacs.

*\*The Hon'ble High Court of Delhi has appointed Mr. Laxmi Kant Gaur, District Judge (Retd.) vide its order dated 29<sup>th</sup> July 2021, as the One Man Committee in place of Hon'ble Mr. Justice Anil Kumar (in view of his unfortunate demise). The One Man Committee would continue from the stage at which the exercise assigned to the One Man Committee by the High Court stands, at the stage when Hon'ble Mr. Justice Anil Kumar unfortunately expired. The agenda of the One Man Committee would be as per the order dated 3<sup>rd</sup> September, 2015, read with subsequent orders passed, if any, in that regard.*

- (ii) For redemption of 'B' series debentures of Rs. 2014.98 Lacs debenture redemption reserve is required to be created. Debenture redemption reserve of Rs. 2014.98 Lacs has not been created due to insufficient profits.
- (iii) The value of assets charged as security in favour of banks, debenture-holders & financial institutions have been depleted over a period of time. The depletion has not yet been ascertained by the Holding Company. To the extent of shortfall, if any, the liability is unsecured, whereas the same has been shown as secured.
- (iv) Balance confirmation of bills receivable and payable, advances recoverable in cash or in kind, receivables and payables relating to lease and hire purchase, lease security deposit of which party wise details are not available. Balance confirmation of inter-corporate deposits, balance of ex-employees, margin against L/C, loans



from institutions, banks, and other receivables and payables have not been received from the parties/persons concerned. In the absence of balance confirmation the closing balances as per books of accounts have been incorporated in the final accounts and have been shown, unless otherwise stated by the management about its recoverability in the financials including considering the NPA Provisions, are good for recovery/payment. Time barred debts under the Limitations Act have not been separately ascertained and written off or provided for. In the absence of such confirmation & corresponding reconciliation, it is not feasible for us to determine financial impact on the consolidated financials and the amount referred as payable in the financials can differ.

(v) **Contingent liabilities and Other Commitments**

- (a) During the financial year 2011-12, the Holding Company's tenant had filed a claim of Rs. 100 Lacs against the Holding company due to damages suffered by the tenant which is still pending under arbitration proceedings as on 31st December, 2023.
- (b) There is an award passed by the High Court vide its judgment dated April 27, 2022 against the Holding Company in the matter of M/s MS Shoes East Limited for Rs. 12.82 lacs i.e. the claim amount, along with interest of Rs. 8.97 Lacs for an underwriting given by the Holding Company in the year 1995 for the public issue of M/s MS Shoes East Ltd.
- (c) Due to dispute with the builder namely M/s NBCC Ltd. from which the Holding Company had purchased an office premises in the year 1995, regarding a claim of Rs. 288.29 Lacs on account of increase in super area and certain other expenditure which the builder i.e. M/s NBCC Ltd. had incurred and the same is pending in arbitration. Breakup of the amount of Rs. 288.29 Lacs mentioned supra is as follows:

S. No.	Description	Amount (in Lacs)
1.	Difference in super area Vs. provisional area	229.28
2.	Claim of property tax	3.19
3.	Claim of ground rent	21.67
4.	Allied charges	7.82
5.	Augmentation of Electric sub station	1.33
6.	Loss of profit	20.00
7.	Arbitration cost	5.00
<b>TOTAL</b>		<b>288.29</b>

During the financial year ending March 31, 2021, the award was given in respect of dispute that has arisen between NBCC Ltd. (Claimant) and DCM Financial Services Limited (Respondent) in relation to sale of Commercial Space-Upper Ground Floor NBCC Place, Pragati Vihar, New Delhi by the Claimant to the respondent.



The summary position of award is as under:


Party	Amount Claimed (in Lacs)	Awarded (in Lacs)
NBCC Ltd.- Claimant	434.95	41.06
DCM Financial Services Limited - Counter Claimant/Respondent	3269.50	78.97

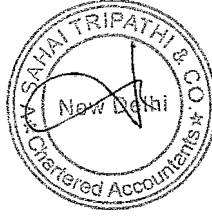
In addition to the above, Interest @ 10% is payable by both the parties on their respective amounts.

That whereas NBCC has filed objections to the award in Delhi High Court in December 2020 and the same appears to be lying in objections. That DCM has also filed objection in Delhi High Court and the same has no being listed so far.

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**For V Sahai Tripathi and Co.**  
Chartered Accountants  
Firm Regn. No. 000262N

  
**Vishwas Tripathi**  
Partner  
Membership No. 086897



Place: New Delhi  
Dated: 8<sup>th</sup> February, 2024

UDIN:  
24086897BKCSRM4444