



April 12, 2024

BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai-400 001
Scrip Code: 542729

National Stock Exchange of India Limited
Exchange Plaza, C-1, Block G
Bandra Kurla Complex, Bandra East
Mumbai, Maharashtra – 400 051
Symbol: DCMNVL

Dear Sir/ Madam,

Sub: Clarification/Explanation sought in respect to the discrepancies observed regarding Corporate Announcement submitted under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“SEBI Listing Regulation”)

Ref: Disclosure under Regulation 30 of SEBI Listing Regulations, dated April 09, 2024, wherein the disclosure related to the Assessment order received from the Income Tax Department u/s 147 of the Income Tax Act, 1961, dated March 30, 2024, was made.

This is with reference to your email dated April 10, 2024, wherein the following discrepancies were observed by BSE:

Discrepancies: ‘Additional Details Required under SEBI Circular dated July 13, 2023, for Corporate Announcement filed under Regulation 30 of SEBI (LODR) Regulations, 2015’ - As per Schedule III of SEBI (LODR) Regulations, 2015, Material Event is not disclosed to Exchange within 24 Hours.

In this regard, we, DCM Nouvelle Limited (*“the Company”*) hereby would like to submit clarification/ explanation before your good office as under:

1. Please note that as per the Scheme of Arrangement for the demerger of Textile Business Undertaking of the DCM Limited into the Company approved by the Hon’ble NCLT vide its order dated 01.05.2019 effective from the appointed date i.e., 01.04.2019 (referred as ‘said Scheme’), *“all legal proceedings relating to the Textile Business Undertaking (demerged undertaking) shall be enforced by or against the Company as per the said scheme and all liabilities/dues of the demerged undertaking shall stand transferred to the Company.”*

2. Further as per said Scheme, all proceedings under various tax laws whether pending on the appointed date or which are instituted at any time in the future, shall be enforced by or against the Company after the effective date and DCM Limited will defend the said tax proceedings for the



benefit and on behalf of DCM Nouvelle Ltd. Therefore, any tax liability and/or penalty arisen/to be arisen pertaining to the Assessment order u/s 147 read with section 144(b) of the Income Tax Act, 1961 ('Order') passed by the Income Tax Department on 30.03.2024, wherein the Department took the view that erstwhile Textile Business Undertaking (Demerged Undertaking) made non-genuine cotton purchases from a party, will be related/attributionable and to the account of Company in terms of the provisions of the said Scheme.

Considering the above, this is to inform you that the Company has received the aforementioned Order on Friday, April 05, 2024 from DCM Limited. Upon receipt of an email, the Company promptly examined the order/notice received, discussed with the management of the DCM Limited and the Company engaged its legal advisor(s)/consultant(s) to evaluate the regulatory compliance requirements of the SEBI Regulation and their potential impact on the Company. Acting upon their recommendations, the management and the Disclosure Committee opted for a cautious approach and, as a result, decided to disclose the pertinent details of the order concerning the Scheme/Court order and therefore submitted the disclosure to the Stock Exchange(s) on Tuesday, April 09, 2024. Consequently, the entire decision-making process of impact evaluation took some time, resulting in delayed submission of the aforesaid disclosure under Regulation 30 of the SEBI Listing Regulations.

This is to further submit that the entire decision-making process, involving understanding the order, evaluating its impact on the Company after detailed discussions with the management of DCM Limited and their Tax Consultants, took time. As a result, there was a delay in submitting the aforementioned disclosure under Regulation 30 of the SEBI Listing Regulation.

We assure you that we remain committed to compliance with the SEBI Listing Regulations and shall endeavours to ensure timely adherence in the future.

You are requested to take the same on your record and oblige.

Thanking You,
Yours Sincerely

For DCM Nouvelle Limited

Mohd Sagir
Company Secretary & Compliance Officer
Membership No.: F11061