



July 16, 2012

National Stock Exchange of India Ltd.
Exchange Plaza,
Plot no. C/1 G Block,
Bandra- kurla Complex
Bandra (E)
Mumbai - 400 051

Sub: Intimation about outcome of 122nd Annual General Meeting.

Dear Sir/Madam,

This is to inform you that 122nd Annual General Meeting of the Company was held on Saturday, the 14th day of July, 2012 at MPCU Shah Auditorium, Shree Delhi Gujrati Samaj Marg, Civil Lines, New Delhi at 12:30 PM and the following businesses were transacted:

1. The Audited Annual Accounts of the Company for the year ended March 31, 2012 was laid down before the shareholders at the meeting and adopted by them.
2. Dividend on fully paid equity shares at the rate of Rs. 2.50 per equity share of Rs. 10 each as recommended by the Board of directors was declared by the shareholders.
3. Mr. Jitendra Tuli, who was liable to retire by rotation, has been re-appointed as the Director of the Company.
4. M/s A. F. Ferguson, Chartered Accountants, has been reappointed as the Statutory Auditors of the Company for the financial year 2012-2013.
5. Mr. Bipin Maira, an additional director of the company was appointed as Director of the Company, liable to retire by rotation.
6. Mr. Naresh Kumar Jain is appointed as Managing Director of the Company for a period of one year w.e.f. 20th December 2011 (which is extendable for not more than 5 years at the discretion of the Board).

Kindly take note of the above and find enclosed the Minutes of the 122nd Annual General Meeting.

Thanking you
For DCM Ltd.


B. Pradhan
Company Secretary



Encl.: a/a

DCM LIMITED: NEW DELHI

MINUTES OF THE 122ND ANNUAL GENERAL MEETING OF THE COMPANY
HELD ON JULY 14, 2012.

The 122nd Annual General Meeting of the Company was held on Saturday, the 14th day of July, 2012 at 12.30 P.M at MPCU Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Civil Lines, New Delhi-110 054.

All the directors except Prof Joginder Singh Sodhi were present.

199 Members were present in person/by proxy as per attendance recorded.

Mr. Jiterndra Tuli, took the chair and declared that the quorum being present, the meeting may proceed with the agenda. With the permission of the members present, the Notice of the meeting was taken as read.

The Chairman informed the members that the Register of Directors' shareholding maintained by the Company pursuant to Section 307 of the Companies Act, 1956 is open and accessible to the members for inspection.

The Chairman made his speech, the text of which is annexed (Annexure - I).

The Secretary read the Auditors' Report.

1. Mr. Naresh Gupta, member of the Company, proposed and Ms. Asha Chachra, member of the Company, seconded that the following resolution be adopted as an ordinary resolution:

"RESOLVED THAT the audited Balance Sheet as at March 31, 2012, Profit & Loss Account for the year ended on that date, Cash Flow Statement and notes and Consolidated Financial Statements including Consolidated Balance Sheet as at March 31, 2012, Consolidated Profit & Loss Account for the year ended on that date and Consolidated Cash Flow and notes to the Consolidated Statements and other relevant accounts for the year ended March 31, 2012 along with the Reports of the Directors' and Auditors' thereon be and are hereby received, considered, approved and adopted."

The resolution was put to vote by show of hands and adopted with overwhelming majority.



2. Ms. Reema Nayyar, member of the Company proposed and Mr. Anuj Wadhwa, member of the Company seconded that the following resolution be adopted as an ordinary resolution:

"RESOLVED THAT as recommended by the Board of directors dividend at the rate of Rs 2.50 (Two Rupees Fifty paisa) Per equity share of Rs.10 each fully paid up on equity capital of the company be and is hereby approved and declared for the financial year ended March 31, 2012."

The resolution was put to vote by show of hands and adopted with overwhelming majority

3. Mr. Sanjay Kathpal, member of the Company proposed and Mr. B K Sahni, member of the Company seconded that the following resolution be adopted as an ordinary resolution:

"RESOLVED THAT Mr. Jitendra Tuli, retiring director, be and is hereby appointed as a director of the Company."

The resolution was put to vote by show of hands and adopted with overwhelming majority.

4. Mr. Om Prakash Gupta, member of the Company, proposed and Mr. Yash Pal Chopra, member of the Company seconded that the following resolution be adopted as an ordinary resolution:

"RESOLVED THAT pursuant to Section 224 and other applicable provisions, if any, of the Companies Act, 1956 M/s A.F. Ferguson & Company, Chartered Accountants, New Delhi having Regn No: 112066W, be and are hereby re-appointed as auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and that the Audit Committee of the Board of Directors be and is hereby authorized to fix their remuneration."

The Resolution was put to vote by show of hands and adopted with overwhelming majority.



5. Mr. D. D. Shardana, member of the Company, proposed and Ms. Madu Gupta, member of the Company, seconded that the following resolution be adopted as an ordinary resolution:

RESOLVED THAT Mr. Bipin Maira, who has been appointed as additional director of the Company by the Board in its meeting dated November 9, 2011 under section 260 of the Companies Act, 1956, holds office upto this Annual General Meeting and in respect of whom the Company has received a notice from a member of the Company under section 257 of the Companies Act, 1956 signifying his intention to propose him as a candidate for the office of director, be and is hereby appointed as director of the Company, liable to retire by rotation.

The Resolution was put to vote by show of hands and adopted with overwhelming majority.

6. Mr. S K Agrawal, member of the Company, proposed and Mr. Prem Chand Gupta, member of the Company, seconded that the following Resolution be adopted as an Ordinary Resolution:

"RESOLVED THAT subject to such approvals, as may be necessary under the applicable provisions of the Companies Act, 1956 and/or any amendment/modification(s) thereof, Mr. Naresh Kumar Jain be and is hereby appointed as Managing Director of the Company w.e.f. 20th December, 2011 without payment of salary and perquisites but with sitting fees as paid to the other Directors, for a period of one year, which is extendable for further period(s) not exceeding 5 years, on each occasion from time to time at the discretion of the Board"

"RESOLVED FURTHER THAT the Managing Director shall be entitled to reimbursement of all actual expenses incurred in the course of business of the Company"

"RESOLVED FURTHER THAT Mr. B Pradhan, Company Secretary be and is hereby authorized to take necessary steps, acts, actions to the above resolution".

The Resolution was put to vote by show of hands and adopted with overwhelming majority

With a vote of thanks to the Chair, the meeting came to an end.



Chairman's Statement -2012

Ladies and Gentlemen,

On behalf of the Board of Directors and on my personal behalf, I have great pleasure in extending a warm and cordial welcome to each one of you to the 122nd Annual General Meeting of your Company. The Directors' Report and Audited Accounts of the Company for the year ended March 31, 2012 along with the Auditors' Report thereon, have been with you for quite some time and with your permission I take them as read.

THE MACRO SCENE

The fiscal year 2011-12 began with several challenges both on the domestic and international fronts. The geopolitical upheaval in the Middle East, unprecedented economic uncertainty due to sovereign debt crisis in some European countries and weak recovery hopes for other developed economies threatened to derail the global economic environment.

On domestic front, it was expected that the Indian economy would continue to grow at around 8.4% backed by strong domestic demand and a thrust on Infrastructure development. However, the ground realities in India have not met the expectations. The country is expected to have a GDP growth of 6.9% during the year as against a GDP growth of 8.4% registered in the previous year. This, in itself, is an indication of the pressures being faced on the domestic front.

The country was battling near double-digit inflation (mainly due to global cost push and agricultural supply constraints). Persistent inflation has led to a tight monetary policy which moderated growth during the course of the year. The impact was largely felt on the industrial sector whereas agriculture and services continued to do well. The rupee felt this pressure and breached the Rs. 50/\$ mark during the year, crossing Rs. 57/\$ recently, further aggravating concerns for importers. The regulatory uncertainty has also impacted the economy during most of the year.

Besides, there seems to be a sense of pessimism with regard to the Indian economy with concerns about a slowdown in investment, about inflation and slow corporate performance. This is the same Indian economy which bounced back from the worst global financial crisis in recent history to record over 8% growth for two consecutive years. It has witnessed per capita GDP to triple in less than ten years. It is a young country with a demographic dividend that will be reaped for many years to come, where government debt is almost entirely financed by domestic savings; and where there is sufficient growth momentum in the economy to support rising government revenues and deficit reduction



over time. The Indian Economy has the advantage of strong underlying fundamentals to work with as compared to its counterparts. This will evolve over time and ensure robust and sustained growth over the medium to long term.

COMPANY AFFAIRS

Your Company was also affected by the overall slowdown in the economy during the year. The net profit after tax of the company earned during the year was reduced to Rs. 5.44 Crores from Rs. 25.76 Crores earned last year. The performance of DCM Engineering Ltd, one of the subsidiaries of the Company was also moderate. The said subsidiary has made a net profit after tax of Rs. 9.14 Crores and has declared a dividend of 30% @ Rs. 3 per equity share of Rs.10 each.

The Board of directors of your Company has also recommended a dividend of 25% @ Rs 2.50 per equity share of Rs.10 each for your approval.

The ongoing progress of development of the Real Estate Project at Bara Hindu Rao being developed by Purearth Infrastructure Limited in terms of Scheme of Restructuring & Arrangement (SORA) has resulted in creation of cash inflow for the Company for payment to the Creditors under SORA.

Your Company has complied with its debt repayment obligation and where such amount have not been claimed by the creditors, the same have been deposited in separate designated Bank Account (s) in scheduled bank(s), as per SORA approved by the Hon'ble Delhi High Court vide its order dated October 29, 2003 under section 391-394 of the Companies Act 1956 and subsequent modification thereto vide order dated April 28, 2011.

TEXTILE DIVISION

The overall growth scenario of the textile industry was affected and the industry as a whole witnessed an unexpected downturn in demand during the year under review. This was due to drastic fall in yarn prices, low demand and piling up of high cost inventory because of restrictions imposed by Government of India on export of yarn during the last quarter of the previous year.

The Textile Division of your company has incurred a loss of Rs. 28.27 Crores during the year due to margins turning negative on account of steep fall in cotton yarn prices and high cost of cotton inventory procured during last year's cotton season.

However, after consumption of high cost inventory and picking up of demand during the last quarter, the division has begun to recover and it is expected that the division would perform better during the current year.



IT DIVISION

The domestic operations of the Division have continued to grow at par with the previous year, in spite of a reversal in the third quarter linked with some order terminations. However, the turnover of the division was adversely affected because the US onsite business during the year faced sluggish market conditions, especially in later half of the year.

During the year, the division achieved a breakthrough with an export order which should help reorient the future offshore business thrust and supplement the onsite business also.

In the domestic market, the IT Division has also established itself in data center management business with specialization in managing different systems, storage devices and databases. This is expected to open future opportunities for the division in providing specialized data center services to the fast growing small and medium enterprises in India.

CORPORATE GOVERNANCE

Corporate Governance for your company is the combination of adopting all best practices and compliance of Laws and Regulations leading to a) effective control and management of the organization, b) long-term shareholder value creation c) enhanced interest of other stake holders and d) gaining investors' confidence on a perennial basis. Your Company is committed to increase long-term shareholders value and believes in an open governance process based on transparency, accountability, credibility, trust and fairness.

Your company has a simple and transparent corporate structure and strives towards managing the business effectively in compliance with legal requirements by adhering to the best practices in governance.

SOCIAL RESPONSIBILITY STATEMENT

Your company has always endeavored to uplift the concept of corporate social responsibility. As an effort in this direction your Company is running two Educational Institutions viz. DCM Boys Senior Secondary School and DCM Girls Senior Secondary Schools, which cater to the lower income group of society. The schools are recognized and affiliated to the Central Board of Secondary Education; there are around 900 students on the rolls in different classes. Last year these Schools have been shifted to a new school building which is futuristic in nature with all modern facilities. The Textiles Division of the Company is also running a school upto 10th standard in its campus at Hisar. There are around 425 students on the rolls in different classes. DCM Engineering Ltd, a subsidiary of



the company is also running a school upto 10th standard in its campus at Ropar, Punjab, where around 450 students are on the rolls in different classes.

ACKNOWLEDGEMENTS

I wish to place on record my deep appreciation to all of you for your unstinted support towards our journey. Also, I express my sincere gratitude to my colleagues in DCM for the support and valuable guidance and to our employees at all levels for their dedication and commitment. I also thank the Financial Institutions and Banks for the support extended to the Company. I also take this opportunity to thank the Government of India and the State Governments for the support and co-operation.

Ladies and Gentlemen, The future holds immense potential and opportunities for growth and I assure you that we will strive to capitalize on them by remaining focused on growth and operational excellence. I look forward to your continued support and assure you of our total commitment to the objective of enhancing investor value.

Thank you,

Speech by Mr. Jitendra Tuli, Chairman, at the 122nd Annual General Meeting of DCM Limited held on the Saturday the 14th day of July, 2012, at New Delhi.

