

A. F. FERGUSON & CO.
CHARTERED ACCOUNTANTS
9, SCINDIA HOUSE,
KASTURBA GANDHI MARG,
NEW DELHI - 110001.

**INDEPENDENT AUDITORS' REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
DCM LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **DCM LIMITED** ("the Company") for the Quarter and Six Months ended September 30, 2013 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 6 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (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. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Various matters arisen/arising out of reorganisation will be settled and accounted for as and when the liabilities/benefits are finally determined as stated in note 1. The effect of these on the financial results for the quarter and six months ended September 30, 2013 is not ascertainable at this stage.
4. Based on our review conducted as stated above, except for the matters referred to in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs) and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The Company's "Scheme of Restructuring and Arrangement", sanctioned by the High Court of Delhi and further modified vide its order dated April 28, 2011 (hereinafter referred to as SORA), provides that it is required to be implemented as a whole and in totality. The effect of the financial and business restructuring, as envisaged in the above scheme, has already been considered in preparing the accounts by the Company during the previous years except for the sale of rights in the Company's land development project, which, as per SORA, is subject to certain definitive agreements. Although the Company has entered into the definitive agreements during the previous years, one of such agreements, viz., "leasehold definitive agreement", has not become effective pending compliance with certain conditions contained therein and, therefore, the corresponding transaction has not been effected in the financial result. The management has confirmed to us that the conditions contained in the leasehold definitive agreement would be complied with and would not result into any adverse impact on the financial results of the Company or on the successful implementation of the SORA.
Our conclusion is not qualified in respect of this matter.

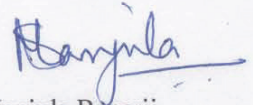


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6. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to investor complaints disclosed in Part II - Select Information for the Quarter and Six Months Ended September 30, 2013 of the Statement, from the details furnished by the Management.

For A. F. Ferguson & Co.
Chartered Accountants
(Firm Registration No.: 112066W)



Manjula Banerji
Partner
(Membership No.: 086423)

New Delhi, November 13, 2013



Part I							(Rs. in Lacs)
STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2013							
Particulars	Three months ended 30.09.2013	Preceding Three months ended 30.06.2013	Corresponding Three months ended 30.09.2012	Six months ended 30.09.2013	Corresponding Six months ended 30.09.2012	Figures for year ended 31.03.2013	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	
	1	2	3	4	5	6	
1 Income from operations							
a) Net sales / services (net of excise duty)	11,245	10,118	8,592	21,363	17,657	36,207	
b) Other operating income	699	804	685	1,503	1,236	2,410	
Total income from operations (net) (a+b)	11,944	10,922	9,277	22,866	18,893	38,617	
2 Expenses							
a) Cost of materials consumed	6,577	6,003	5,086	12,580	10,085	20,692	
b) Changes in inventories of finished goods, work-in-progress and land for development	(261)	140	(96)	(121)	372	384	
c) Employee benefits expense	1,868	1,649	1,497	3,517	2,916	5,955	
d) Depreciation and amortisation expense	285	268	266	553	507	1,020	
e) Other expenses :							
- Power and fuel etc.	649	656	781	1,305	1,472	2,920	
- Stores and spares	247	212	194	459	409	828	
- Others	863	877	447	1,740	1,040	2,263	
Total expenses	10,228	9,805	8,175	20,033	16,801	34,062	
3 Profit/(loss) from operations before other income, finance costs and exceptional items (1-2)	1,716	1,117	1,102	2,833	2,092	4,555	
4 Other income	136	84	162	220	754	1,029	
5 Profit from ordinary activities before finance costs and exceptional items (3+4)	1,852	1,201	1,264	3,053	2,846	5,584	
6 Finance costs	276	426	369	702	834	1,498	
7 Profit from ordinary activities after finance costs but before exceptional items (5-6)	1,576	775	895	2,351	2,012	4,086	
8 Exceptional items	-	-	-	-	-	-	
9 Profit from ordinary activities before tax (7 + 8)	1,576	775	895	2,351	2,012	4,086	
10 Tax expense	538	261	247	799	523	1,185	
11 Net profit from ordinary activities after tax (9-10)	1,038	514	648	1,552	1,489	2,901	
12 Extraordinary items	-	-	-	-	-	-	
13 Net profit for the period (11+12)	1,038	514	648	1,552	1,489	2,901	
14 Paid-up equity share capital of Rs.10 each	1,738	1,738	1,738	1,738	1,738	1,738	
15 Reserve excluding revaluation reserves as per balance sheet of previous accounting year						16,583	
16 Earnings per share (of Rs. 10 each) :							
- Basic/Diluted - Rs. per share	5.97	2.96	3.73	8.93	8.57	16.69	
PART II							
A PARTICULARS OF SHAREHOLDING							
1 Public shareholding							
- Number of shares	9,611,155	9,611,155	9,611,155	9,611,155	9,611,155	9,611,155	
- Percentage of shareholding	55.30%	55.30%	55.30%	55.30%	55.30%	55.30%	
2 Promoters and promoter group shareholding							
a) Pledged/Encumbered							
- Number of shares	-	-	-	-	-	-	
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-	-	
- Percentage of shares (as a % of the total share capital of the Company)	-	-	-	-	-	-	
b) Non-encumbered							
- Number of shares	7,767,882	7,767,882	7,767,882	7,767,882	7,767,882	7,767,882	
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	
- Percentage of shares (as a % of the total share capital of the Company)	44.70%	44.70%	44.70%	44.70%	44.70%	44.70%	
Particulars	Three months ended						
B INVESTOR COMPLAINTS	30.09.2013						
Pending at the beginning of the quarter	Nil						
Received during the quarter	5						
Disposed of during the quarter	4						
Remaining unresolved at the end of the quarter	1						

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STANDALONE UNAUDITED SEGMENT-WISE REVENUE AND CAPITAL EMPLOYED
FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2013

(Rs. in Lacs)

	Particulars	Three months ended	Preceding Three months ended	Corresponding Three months ended	Six months ended	Corresponding Six months ended	Figures for year ended
		30.09.2013 Unaudited	30.06.2013 Unaudited	30.09.2012 Unaudited	30.09.2013 Unaudited	30.09.2012 Unaudited	31.03.2013 Audited
		1	2	3	4	5	6
1	Segment revenue						
	a) Textile	10,443	9,570	8,144	20,013	16,668	34,162
	b) IT Services	1,501	1,352	1,133	2,853	2,225	4,455
	c) Real Estate	-	-	-	-	-	-
	Total	11,944	10,922	9,277	22,866	18,893	38,617
	Less : Inter segment revenues	-	-	-	-	-	-
	Net sales / income from operations	11,944	10,922	9,277	22,866	18,893	38,617
2	Segment results						
	a) Textile	2,030	1,389	1,195	3,419	2,292	5,061
	b) IT Services	61	42	68	103	119	162
	c) Real Estate	-	-	-	-	-	-
	Total	2,091	1,431	1,263	3,522	2,411	5,223
	Less : I) Finance costs	(276)	(426)	(369)	(702)	(834)	(1,498)
	: II) Un-allocable (expenditure)/ income net of un-allocable income/ expenditure	(239)	(230)	1	(469)	435	361
	Profit/(loss) before tax	1,576	775	895	2,351	2,012	4,086
3	Capital employed (Segment assets - Segment liabilities)						
	a) Textile	17,515	21,173	14,647	17,515	14,647	21,186
	b) IT Services	932	935	836	932	836	892
	c) Real Estate	1,889	2,675	4,912	1,889	4,912	3,971
	Segment capital employed	20,336	24,783	20,395	20,336	20,395	26,049
	Others un-allocated	7,742	7,914	8,097	7,742	8,097	7,882
	Total capital employed	28,078	32,697	28,492	28,078	28,492	33,931

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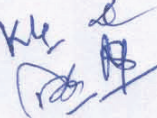


DCM LIMITED

STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2013

(Rs. in Lacs)

Particulars	As at	As at
	30.09.2013	31.03.2013
	(1)	(2)
	Unaudited	Audited
A. EQUITY AND LIABILITIES		
1. Shareholders' funds		
(a) Share capital	1,738	1,738
(b) Reserves and surplus	18,134	16,583
Sub total - Shareholders' funds	19,872	18,321
2. Non-current Liabilities		
(a) Long-term borrowings	2,468	2,979
(b) Deferred tax liabilities (net)	278	301
(c) Other long-term liabilities	2,772	2,781
(d) Long-term provisions	545	498
Sub-total - Non current liabilities	6,063	6,559
3. Current Liabilities		
(a) Short-term borrowings	4,620	10,990
(b) Trade payables	1,357	1,153
(c) Other current liabilities	3,186	3,948
(d) Short-term provisions	248	515
Sub-total - Current liabilities	9,411	16,606
TOTAL - EQUITY AND LIABILITIES	35,346	41,486
B. ASSETS		
1. Non -current assets		
(a) Fixed assets	8,336	7,174
(b) Non-current investments	7,025	7,025
(c) Long-term loans and advances	2,269	2,835
(d) Other non-current assets	2,000	2,001
Sub-total-Non-current assets	19,630	19,035
2. CURRENT ASSETS		
(a) Inventories	3,976	9,234
(b) Trade receivables	7,397	7,490
(c) Cash and bank balances	830	1,087
(d) Short-term loans and advances	2,850	2,647
(e) Other current assets	663	1,993
Sub-total-Current assets	15,716	22,451
TOTAL- ASSETS	35,346	41,486

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Notes:

1. Various issues relating to reorganization of 1990 will be settled as per the Scheme of Arrangement of 1990 and Memorandums of Understanding between the concerned companies, as and when finally determined. The final liability of the Company, if any, would be restricted to 1/3rd of the total liability (Reference: Paragraph (i) of Basis for qualified opinion of Independent auditors' report and note 40 to the audited financial statements for the year ended March 31, 2013).
2. The figures of the corresponding quarter have been regrouped/ recast wherever necessary.
3. The Board of Directors has decided to pay an interim dividend of 15% (Rs. 1.50 per equity share of Rs. 10 each) for the financial year ending March 31, 2014 to the members/Beneficial owners as on the record date i. e. November 26, 2013. The said interim dividend and dividend distribution tax will absorb a total amount of Rs 3.05 crores.
4. The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on November 13, 2013.

Limited Review

The Limited Review as required under Clause 41 of Listing Agreement has been completed by Statutory Auditors. The 'Limited Review Report' for the quarter and six months ended September 30, 2013 does not have any impact on the above 'Results' except in respect of the matter explained in note 1 above.

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



Jitendra Tuli

Jitendra Tuli
Chairman and Managing Director

Date: November 13, 2013
Place: New Delhi

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