



## DCM LIMITED

Regd. Office: Vikrant Tower, 4, Rajendra Place, New Delhi 110 008

Phone: 25719967 Fax: 25765214 Email: investors@dcm.in

### POSTAL BALLOT NOTICE

(Pursuant to Section 192A of the Companies Act, 1956)

Notice is hereby given to the members of DCM Limited pursuant to Section 192A(2) of the Companies Act, 1956 read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 (including any statutory modification or re-enactment thereof, for the time being in force) and the applicable provisions, if any, of the Companies Act, 2013 that the Company is seeking consent of its members, through Postal Ballot in respect of the following resolutions to be passed as **Special Resolutions**:

It may be mentioned that the resolutions number 1 & 3 need not be passed through the postal ballot and could be passed in a general meeting also. However, Section 192A of the Companies Act, 1956 and the Companies (Passing of the Resolution by Postal Ballot) Rules, 2011 ("the Rules"), as made thereunder, provide an alternative forum to obtain Members' approval through Postal Ballot process. To facilitate wider participation of Members and to conduct the democratic proceeding in fair and transparent manner, the Company is seeking your approval by Postal Ballot process instead of convening an Extra Ordinary General Meeting.

#### 1. Special Resolution authorising the Board of Directors to borrow money, exceeding the aggregate of the paid up capital of the company and its free reserves, upto Rs. 600 crores

To consider and if deemed fit, to pass the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** in supersession of all the resolutions passed earlier in this regard, the consent of the Company be and is hereby accorded to the Board of Directors or any committee constituted by Board, (hereinafter referred to as 'the Board') under Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and the Articles of Association of the Company to borrow, from time to time, whether by way of loan in Indian rupees and/or foreign currency at their discretion, either from bank(s), Financial Institution(s), Bodies Corporate or any other lending institution(s) or person(s), whether in India or abroad (including moneys that may be borrowed by issue of debentures whether convertible or not, zero coupon bonds or such other securities as the Board in its absolute discretion determine ) on such terms and conditions as may be considered suitable by the Board, notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the company (apart from temporary loans obtained or to be obtained from the company's bankers in the ordinary course of business), may exceed the aggregate of the paid up capital and free reserves, that is to say, reserves not set apart for any specific purpose, of the Company provided that the maximum outstanding amount of moneys so borrowed by the Board shall at any time not exceed Rs. 600 crores."

#### 2. Special Resolution authorizing the Board of Directors to mortgage / pledge / hypothecate and / or create charge on assets of the company to secure any loan taken by the Company.

To consider and if deemed fit, to pass through postal ballot, the following Resolution as a **Special Resolution**:

**RESOLVED FURTHER THAT** the consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 & the Companies Act, 1956 as applicable & in force to the Board of Directors of the Company or any committee constituted by Board (hereinafter referred to as 'the Board') for mortgaging, pledging, hypothecating and/ or creating charge on the whole or part of its land, building thereon, machinery, stocks, book debts and all other assets whether movable or immovable of the Company situated in India or abroad in one or more tranches and/or conferring power to enter upon and take possession of the assets of the Company in certain events to or in favour of any of the financial institution(s), bank(s), body corporate(s), lending institution(s) or person(s) to secure rupee term and other loans/debentures raised/to be raised by the Company from such financial institution(s), bank(s), bodies corporate, lending institution(s) or person(s) together with interest at the respective agreed rates, compound/additional interest, commitment charge, premia on prepayment or on redemption, costs, charges, expenses and all other moneys payable by the Company to the financial institution(s), bank(s), body corporate(s), lending institution(s) or person(s) in terms of their respective loan agreements/heads of agreement/ letters of sanction / memorandum of terms and conditions, entered into/ to be entered into by the Company in respect of the said term loans/ debentures at any time not exceeding Rs. 600 Crores.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to negotiate and finalize with the financial institution(s), Bank(s), body corporate(s), lending institution(s) or person(s) the documents for creating the aforesaid mortgage and/ or charge and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient, for giving effect to this resolution."

#### 3. Alteration of Articles of Association of the Company

To consider and if deemed fit, the following Resolution as a **Special Resolution**:

**RESOLVED THAT** pursuant to Section 31 and other applicable provisions, if any, of the Companies Act, 1956 and/or Section 14 and other applicable provisions, if any, of the Companies Act, 2013 the approval of the Company be and is hereby given to the insertion of the following new articles with marginal notes after the existing article no. 12 (ii)

Buy back of shares 12A: Notwithstanding anything contained in this Article but subject to the provisions of section 77A, 77AA and 77B of the Companies Act, 1956 and/or Section 68, 69 and 70 of the Companies Act, 2013, whichever is applicable for the time being, the Company may purchase its own shares or other specified securities (hereinafter referred to as 'buy back') out of:

- (i) its free reserves;
- (ii) the securities premium Account; or
- (iii) the proceeds of any shares or other specified securities.

Provided that no buy back of any kind of shares or other specified securities be made out of the proceeds of an earlier issue of the same kind or other specified securities.

Transfer to capital redemption reserve 12B: Where the Company purchases its own shares out of free reserves or securities premium account, a sum equal to the nominal value of the shares so purchased shall be transferred to the capital redemption reserve account and details of such transfer shall be disclosed in the balance sheet.

The capital redemption reserve account may be applied by the company, in paying up unissued shares of the Company to be issued to the members of the Company as fully paid bonus shares."

#### 4. Special Resolution authorising the Board of Directors to mortgage / pledge / hypothecate and / or create charge on land of the company at Bara Hindu Rao / Kishan Ganj to secure any loan by Purearth Infrastructure Ltd.

To consider and if deemed fit, to pass, the following Resolution as a **Special Resolution**:

**"RESOLVED THAT** the consent of the Company be and is hereby accorded in terms of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 and /section 372A of the Companies Act, 1956 as applicable and in force, to the Board of Directors of the Company or any committee constituted by Board (hereinafter referred to as 'the Board') for mortgaging and/ or creating charge on whole or part of its land at Bara Hindu Rao/ Kishan Ganj at Delhi in one or more tranches and/or conferring power to enter upon and take possession of the assets of the company in certain events to or in favour of any of the financial institution(s), bank(s), bodies corporate, lending institution(s) or person(s) to secure term loan whether in India or abroad and other loans/debentures raised/to be raised by Purearth Infrastructure Ltd (PIL) (formerly known as DCM Estates & Infrastructure Limited (DEIL)) a company co-promoted by the Company, from such financial institution(s), bank(s), body corporate(s), lending institution(s) or person(s) together with interest at the respective agreed rates, compound/additional interest, commitment charge, premia on prepayment or on redemption, costs, charges, expenses and all other moneys payable by PIL to the financial institution(s), bank(s), bodies corporate, lending institution(s) or person(s) in terms of their respective loan agreements/heads of agreement/ letters of sanction / memorandum of terms and conditions, entered into/ to be entered into by PIL in respect of the said term loans/ debentures at any time not exceeding Rs. 300 Crores.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to negotiate and finalize with the financial institution(s), Bank(s),

body corporate(s), lending institution(s) or person(s) the documents for creating aforesaid mortgage and/ or charge and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient, for giving effect to this resolution."

By Order of the Board  
For **DCM Limited**

Sd/-

**Date** : 12th Feb, 2014  
**Place** : New Delhi

Jitendra Tuli  
Chairman and Managing Director

**Encl.** 1. Postal Ballot Form  
2. Self addressed postage pre-paid envelope

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

##### **Item No. 1**

An ordinary resolution was passed at the General Meeting held on June 15, 1992 according consent under section 293(1)(d) of the Companies Act, 1956 to borrow money in excess of the aggregate of the paid up capital of the company and its free reserves, provided that the maximum amount of moneys so borrowed by the Board of Directors shall not, at any time, exceed Rs. 600 (Six Hundred) Crores. The said resolution is current and continues to be in force.

Meanwhile, under section 180 of the Companies Act, 2013 which was put into force from the 12th September 2013 Board of Directors of a Company can borrow money exceeding the aggregate of paid up capital & free reserves only with the consent of the shareholders by Special Resolution as against the Ordinary Resolution under section 293(1)(d) of the Companies Act, 1956.

Although, the said ordinary resolution passed on June 15, 1992 is current and continues to be in force, as a matter of abundant caution, the Board of Directors at their meeting held on February 12, 2014 has recommended the above special resolution as set out in the notice for your approval.

None of the Directors, key managerial personnel of the company and their relatives is interested or concerned in the aforesaid resolution.

##### **Item No. 2**

An ordinary resolution was also passed under Section 293(1) (a) and other applicable provisions, if any, of the Companies Act, 1956, by the Shareholders of the Company at its Annual General Meeting held on June 15, 1992 to mortgage and / or create charge on all the immovable and movable properties of the Company wheresoever situate, present and future the whole of the undertaking of the Company relating thereto and/or conferring power to enter upon and take possession of the assets of the aforesaid unit of the Company in certain events. The said resolution is current and continues to be in force.

Meanwhile, under section 180 of the Companies Act, 2013 which was put into force from the 12th September 2013 Board of Directors of a Company can borrow money exceeding the aggregate of paid up capital & free reserves only with the consent of the shareholders by Special Resolution as against the Ordinary Resolution under section 293(1)(d) of the Companies Act, 1956.

Although, the said ordinary resolution passed on June 15, 1992 is current and continues to be in force, as a matter of abundant caution, the Board of Directors at their meeting held on February 12, 2014 has recommended the above resolution as set out in the notice for your approval.

None of the Directors, key managerial personnel of the company and their relatives is interested or concerned in the aforesaid resolution.

##### **Item No. 3**

Under section 77A of the Companies Act, 1956 a company can buy back its shares or other securities only if there is a provision in this regard in the Articles of Association.

There is no provision in the Articles of the Company as of now for buy back of its shares or other securities. At the Board meeting held on the February 12, 2014 the board decided to insert the provisions in this regard in the Articles of Association of your Company.

The AOA of a company can be amended as per provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 and/or Section 14 and other applicable provisions, if any, of the Companies Act, 2013 by passing a Special Resolution in General Meeting of the Company.

In view of the above, it is proposed to insert a new Article No. 12A & 12B in the AOA of the Company, as set out in detail in the Notice, by a Special Resolution to be passed through Postal Ballot process.

The Board of Directors of the Company recommends the Resolution for your approval.

None of the Directors, key managerial personnel of the company and their relatives is interested or concerned in the aforesaid resolution.

##### **Item No. 4**

An ordinary resolution under Section 293(1) (a) and other applicable provisions, if any, of the Companies Act, 1956, was approved by the Shareholders of the Company by postal ballot process and adopted at its Annual General Meeting held on 13th August 2009 to mortgage and / or create charge on whole or part of the land at Bara Hindu Rao/ Kishan Ganj at Delhi (Project Land) in one or more trenches for securing rupee term and other loans, debentures raised / to be raised by Purearth Infrastructure Ltd (PIL) (formerly known as DCM Estates & Infrastructure Limited (DEIL)) a company co-promoted by the Company, to the extent of Rs. 300 Crores, at any time, for development of Real Estate Project at the Project Land.

Pursuant to the said shareholders' resolution, DCM Limited has been creating mortgage on land at Bara Hindu Rao / Kishan Ganj in favour of lenders of Purearth Infrastructure Limited, from time to time. As on date, the total amount against which Bara Hindu Rao/Kishan Ganj land has been mortgaged is Rs. 165 Crs, which includes loan amount of Rs. 102 Crs and loan amount converted to right in property of Rs. 63 Crs, but as per the understanding, mortgage on property will continue till constructed property is delivered in respect of said loan of Rs.63 Crores. The said resolution is current and continues to be in force.

Meanwhile, under section 180 of the Companies Act, 2013 which was put into force from the 12th September 2013 Board of Directors of a Company can borrow money exceeding the aggregate of paid up capital & free reserves only with the consent of the shareholders by Special Resolution as against the Ordinary Resolution under section 293(1)(d) of the Companies Act, 1956.

Although, the said ordinary resolution passed on 13th August 2009 is current and continues to be in force, as a matter of abundant caution, the Board of Directors at their meeting held on February 12, 2014 has recommended the above resolution as set out in the notice for your approval.

None of the Directors of the company and their relatives is interested or concerned in the aforesaid resolution. However, Dr. Vinay Bharat Ram, CEO of the Company and Mr. Sumant Bharat Ram, COO & FO of the Company being key managerial personnel are interested in Purearth Infrastructure Ltd as directors and have 23.11% shareholding interest through promoter holding companies. The Company directly holds 16.41% in Purearth Infrastructure Ltd. The said key managerial personnel are promoters of the Company and holding 44.70% in this Company through themselves and promoters' holding companies. Mr. Hemant Bharat Ram, President-Textiles, being relative of said key managerial personnel is also interested in the resolution.

By Order of the Board  
For **DCM Limited**

Sd/-

**Date** : 12th Feb, 2014  
**Place** : New Delhi

Jitendra Tuli  
Chairman and Managing Director



# DCM LIMITED

Regd. Office: Vikrant Tower, 4, Rajendra Place, New Delhi 110 008.

Phone: 25719967 Fax: 25765214 Email: investors@dcm.in

## POSTAL BALLOT FORM

(To be returned to the Company)

Serial No. \_\_\_\_\_

- Name(s) of Shareholder(s)  
(including joint holder(s), if any  
(In block letters) :
- Registered Address of the  
sole/first named Shareholder :
- Registered Folio No./  
DP ID No./Client ID No.\* :  
(\* Applicable to investors holding  
shares in dematerialized form)
- Number of Shares held :
- I/We hereby exercise my/our vote in respect of the Special Resolution to be passed through postal ballot for the business stated in the Notice of the Company dated February 12, 2014 by conveying my/our assent or dissent to the said Resolution by placing the tick (✓) mark in the appropriate box below:-

Brief Description of the Resolution	No. of shares	I/We assent to the Resolution	I/We dissent to the Resolution
<b>Item No-1</b> Special Resolution under section 180(1)(c) of the Companies Act, 2013 to authorise the Board of Directors to borrow money in excess of the aggregate of the paid up capital of the company and its free reserves, provided that the maximum amount of moneys so borrowed by the board of directors shall not, at any time, exceed Rs. 600 (Six Hundred) Crores.			
<b>Item No-2</b> Special Resolution under section 180(1)(a) of the Companies Act, 2013 to authorize the Board of Directors to create security by way of mortgage and/or charge on assets of the company to secure any loan upto Rs. 600 (Six Hundred) Crores taken by the Company.			
<b>Item No-3</b> Special Resolution under Section 31 of the Companies Act, 1956 and Section 14 of the Companies Act, 2013 for alteration of Articles of the Company to insert the new Article number 12A and 12B for buy back the shares or other specified securities of the Company.			
<b>Item No-4</b> Special Resolution under section 180(1)(a) of the Companies Act, 2013 and Section 372A of the Companies Act, 1956 to authorize the Board of Directors to create mortgage / pledge / hypothecate and / or create charge on land of the company at Bara Hindu Rao / Kishan Ganj, Delhi to secure the loan upto Rs. 300 (Three Hundred) Crores borrowed / to be borrowed by Purearth Infrastructure Ltd.			

Date :

Place :

(Signature of the Shareholder)

Note: Please read carefully the instructions printed overleaf before exercising the vote.

P. T. O

## INSTRUCTIONS

1. The Explanatory Statement and reasons for the proposed Special Business pursuant to Section 102 of the Companies Act, 2013 read with Section 192A(2) of the Companies Act, 1956 setting out the material facts are appended to the Notice.
2. The Company has appointed Mr. T R Ramamurthy, Company Secretary in whole time practice as Scrutinizer for conducting the postal ballot process in a fair and transparent manner.
3. The Scrutinizer will submit his report to the Chairman of the Board after completion of scrutiny and the results of voting of the postal ballot will be announced at 4.00 P.M. on April 14, 2014 at the Registered Office of the Company. The results shall also be published as a newspaper advertisement and displayed on the Company's website www.dcm.in besides communicating to the National Stock Exchange of India Limited and BSE Limited. The date of announcement of the result would be the date of passing of the resolution.
4. The Notice will be dispatched to all the Members by post, whose names appear in the Register of Members/Record of Depositories as on **February 21, 2014 (cut-off-date)**. This date shall also be announced through advertisement in newspaper(s).
5. Voting rights shall be reckoned on the paid up value of shares registered in the names of the Members on the said cut-off date.
6. **Members are requested to read the instructions carefully and fill in the appended postal ballot form and return the form in original duly completed in all respects in the enclosed self addressed pre-paid postage envelope, so as to reach the Scrutinizer on or before the close of working hours on April 11, 2014.** Any postal ballot form received after this date will be treated as if the same has not been received.

However, envelope(s) containing postal ballot(s), if deposited in person or sent by courier at the expense of the Member will also be accepted.

7. Members may request for duplicate postal ballot form, if so required. However, the duly filled in duplicate postal ballot form should reach the Scrutinizer not later than the date specified at item no. 6 above. The shareholders are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted.
8. Only a shareholder having voting rights is entitled to exercise his vote through postal ballot and a shareholder having no voting rights should treat this notice as intimation only. In the case of joints holdings, the member whose name appears first in the Register Members alone can exercise the voting right. In his absence the next in that order can exercise the voting right.
9. Where the Postal Ballot Form has been signed by an authorized representative of a body corporate, a certified copy of the relevant authorization to vote on the Postal Ballot should accompany the Postal Ballot Form. A member may sign the Form through an Attorney appointed specifically for the purpose, in which case an attested true copy of Power of Attorney should be attached to the Postal Ballot Form.
10. Any incomplete, unsigned, incorrectly completed, incorrectly ticked, defaced, torn, mutilated, over-written, wrongly signed Postal Ballot Form will be rejected. The Postal Ballot shall not be exercised by a proxy.
11. Members are requested not to send any other paper along with the postal ballot form in the enclosed self-addressed postage prepaid envelope as all such envelopes will be received by Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.
12. All the material documents referred to in the Explanatory Statement such as Memorandum and Articles of Association of the Company will be open for inspection at the Registered Office of the Company at 6th Floor, Vikrant Tower, 4, Rajendra Place, New Delhi-110 008 between 11.00 A.M. to 1.00 P.M. on all working days from March 12, 2014 till April 11, 2014.

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