

DCM LIMITED: NEW DELHIMINUTES OF THE 125TH ANNUAL GENERAL MEETING OF THE COMPANY HELD ON AUGUST 18, 2015

The 125th Annual General Meeting of the Company was held on Tuesday, August 18, 2015 at 1.00 P.M. at MPCU Shah Auditorium, Shree Delhi Gujarati Samaj Marg, Civil Lines, New Delhi-110 054.

PRESENT

Mr. Jitendra Tuli	Chairman and Managing Director
Mr. Arun Kumar Vedhera	Director
Mr. Bipin Maira	Independent Director
	Also as Chairman of following committees of the Company: - Audit Committee; - Nomination and Remuneration Committee; and - Share transfer, finance facilities & Stakeholder Relationship Committee
Dr. Meenakshi Nayar	Independent Director
Mr. Ravi Vira Gupta	Independent Director

In Attendance:

Dr. Vinay Bharat Ram	Chief Executive Officer
Mr. Ashwani Singhal	Executive Vice President (Finance & Accounts)
Mr. Yadvinder Goyal	Company Secretary

By Invitation:

Mr. Dilip Maliwal	Representing M/s A. F. Ferguson & Co., Statutory Auditors of the Company
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123 members and 3 proxies (proxies holding 21,652 equity shares) as per attendance data received were present.

In accordance with Article 50 of the Articles of Association of the Company, Mr. Jitendra Tuli, Chairman of the Board of Directors took the chair.

Relevant Statutory Registers as maintained under the Companies Act, 2013 and Rules made thereunder were available during the meeting for inspection of the members.

At 1.00 p.m., the Chairman commenced the meeting by welcoming the members to 125th Annual General Meeting (AGM). The Chairman announced that the requisite quorum being present, the meeting was called to order and may proceed with the agenda.

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The Chairman informed that all Directors except Prof. Sudhir Kumar Jain and Mr. N P Chawla (who were pre-occupied and expressed their inability to attend the meeting) were present at the meeting. The Chairman then introduced the members of Board of Directors, Chief Executive Officer and Company Secretary present on the dais. Thereafter, the Chairman made his speech, the text of which is annexed (Annexure - I).

Thereafter, the Chairman commenced the formal agenda of the AGM and the Notice convening the meeting, the Directors' Report along with Annexure thereto and the financial statements for the financial year ended March 31, 2015 were taken as read with the consent of members present.

The Chairman informed the members that the Auditor's Report to the members on the Annual Accounts of the Company for the financial year ended March 31, 2015 did not contain any qualification, observation or comment on financial transactions or matters, which had any adverse effect on the functioning of the Company.

The Chairman informed the members that the Secretarial Audit Report for the financial year ended March 31, 2015 did not contain any qualification, observation or comment or other remark.

Mrs. Pragnya Parimita Pradhan, Company Secretary in whole time Practice, whom the Board has appointed Scrutinizer for conducting and scrutinizing the 'Remote e-voting' and 'voting through poll' in a fair & transparent manner, was also present at the meeting.

The Chairman further stated that the Company had provided Remote e-voting facility to the members to cast their votes, through electronic voting platform of NSDL, as per requirement of the Companies Act, 2013 in the manner as prescribed under the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015.

He further stated that the cut-off date of August 11, 2015 has been fixed to record the entitlement of the shareholders for the said Remote e-voting and voting through Poll at AGM. The said 'Remote e - voting' took place between Saturday, August 15, 2015 (9.00 a.m. IST) to Monday, August 17, 2015 (5.00 p.m. IST) using the NSDL platform.

Pursuant to Remote e-voting facility provided by the Company, certain members have already exercised their votes during Remote e-voting period from Saturday, August 15, 2015 (9.00 a.m. IST) to Monday, August 17, 2015 (5.00 p.m. IST).

The Chairman also stated that the members who have not voted through 'Remote e-voting' and now present in person and through proxies at today's AGM are also entitled to vote in proportion to the shares held by them as on the same cut-off date of 11.08.2015.

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He further informed that in line with the requirements of the Companies Act, 2013 and rules made thereunder, a Poll will be conducted for exercise of said physical voting rights by members /proxies present in the today's AGM on all resolutions of Ordinary and Special business as set out in item numbers 1 to 7 of the Notice. Polling papers will be distributed to the members /proxies present in this AGM and then they will cast their votes in the Polling boxes kept on the table near the stage.

The Chairman further stated that Mrs. Pragnya Parimita Pradhan, Company Secretary in whole-time practice, appointed as 'Scrutinizer for 'Remote e-voting' and 'Polling at AGM' shall conduct the poll process and requested her to submit her report by August 20, 2015.

The Chairman further stated that on receipt of Scrutinizer's report from Mrs. Pragnya Parimita Pradhan on today's Poll, the same shall be clubbed with the result of remote e-voting and the combined votes for or against each resolution shall be worked out and the consolidated results for the remote e-voting and Poll shall be declared latest by August 20, 2015, as per prescribed time schedule. The consolidated result on declaration will be intimated thereafter to Stock Exchanges where the shares of the company are listed. The same shall also be available at the registered office of the Company and on Company's website www.dcm.in and NSDL's website i.e. www.evoting.nsdl.co.in

The members present at the meeting raised certain queries/suggestions pertaining to the Annual Report/ Businesses, which were responded in the meeting.

Thereafter, the Chairman handed over the Poll process to the Mrs. Pragnya Parimita Pradhan, scrutinizer appointed for the Poll.

The Chairman stated that the meeting would stand concluded after completion of voting by members and proxies.

Conduct of Poll

Mrs. Pragnya Parimita Pradhan, scrutinizer appointed for the Poll, conducted the Poll. Before starting of voting on Poll, the Polling papers were distributed to the members and proxies. Empty Poll boxes were shown to the members and thereafter the Poll boxes were locked and sealed in the presence of members and proxies. The members and proxies present casted their votes.

After obtaining confirmation from the shareholders and the scrutinizer that everyone has exercised the vote, the poll was declared complete at around 1.30 p.m. accordingly the meeting was stand concluded at same time. Scrutinizer then took the custody of polling boxes.

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Result of 'Remote e-voting' and 'Poll' conducted on the items of Ordinary and Special Business at the Annual General Meeting of the Company held on August 18, 2015

On the basis of the Scrutinizer's Report dated August 20, 2015 for the Remote e-voting and Poll conducted at AGM, as per result of the voting, all the resolutions for the Ordinary and Special business as set out in item nos. 1 to 7 in the notice of the 125th Annual General Meeting of the Company have been duly passed by members with requisite majority.

The Results of Remote e-voting and Poll conducted at AGM along with Scrutinizer's Report were uploaded on the website of the Company and were also sent to NSDL, BSE Limited and National Stock Exchange of India Limited.

The Results of Remote e-voting and Poll are as under:

Mode of Voting	Votes in favour (Shares)	Votes against (Shares)	Total	% of votes in favour of the resolution	% of votes against the resolution	Votes Invalid
ORDINARY BUSINESS:						
Ordinary Resolution No. 1 : Adoption of (a) the audited financial statements of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon; and (b) the audited consolidated financial statements of the Company for the financial year ended March 31, 2015 together with Report of Auditors thereon						
Remote e-Voting	9306676	0	9306676	99.98363%	0	0
Voting through Polling paper (in person or by proxy)	1524	0	1524	0.01637%	0	0
Total	9308200	0	9308200	100%	0	0
Based on the above, the Ordinary Resolution No. -1 has been passed with the requisite majority						
Ordinary Resolution No. 2 : Declaration of final dividend for the financial year ended March 31, 2015 and confirmation of the payment of interim dividend paid during the financial year ended March 31, 2015						
Remote e-Voting	9306676	0	9306676	99.98363%	0	0
Voting through Polling paper (in person or by proxy)	1524	0	1524	0.01637%	0	0
Total	9308200	0	9308200	100%	0	0
Based on the above, the Ordinary Resolution No. -2 has been passed with the requisite majority						

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Mode of Voting	Votes in favour (Shares)	Votes against (Shares)	Total	% of votes in favour of the resolution	% of votes against the resolution	Votes Invalid
Ordinary Resolution No. 3 : Appointment of a director in place of Mr. Jitendra Tuli, who retires by rotation and being eligible, offers himself for re- appointment						
Remote e-Voting	9306625	1	9306626	99.98362%	0.00001%	0
Voting through Polling paper (in person or by proxy)	1524	0	1524	0.01637%	0	0
Total	9308149	1	9308150	99.99999%	0.00001%	0

Based on the above, the Ordinary Resolution No. - 3 has been passed with the requisite majority

Ordinary Resolution No. 4 : Appointment of M/s. BSR & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company and to fix their remuneration

Remote e-Voting	9306666	0	9306666	99.98363%	0	0
Voting through Polling paper (in person or by proxy)	1524	0	1524	0.01637%	0	0
Total	9308190	0	9308190	100%	0	0

Based on the above, the Ordinary Resolution No. -4 has been passed with the requisite majority

Mode of Voting	Votes in favour (Shares)	Votes against (Shares)	Total	% of votes in favour of the resolution	% of votes against the resolution	Votes Invalid
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SPECIAL BUSINESS:

Ordinary Resolution No. 5 : Appointment of Mr. Arun Kumar Vedhera as a Director of the Company, liable to retire by rotation

Remote e-Voting	9306676	0	9306676	99.98363%	0	0
Voting through Polling paper (in person or by proxy)	1524	0	1524	0.01637%	0	0
Total	9308200	0	9308200	100%	0	0

Based on the above, the Ordinary Resolution No. -5 has been passed with the requisite majority

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Mode of Voting	Votes in favour (Shares)	Votes against (Shares)	Total	% of votes in favour of the resolution	% of votes against the resolution	Votes Invalid
Ordinary Resolution No. 6 : Approval of the Remuneration of the Cost Auditors for the FY 2015-16						
Remote e-Voting	9306600	76	9306676	99.98281%	0.00082%	0
Voting through Polling paper (in person or by proxy)	1524	0	1524	0.01637%	0	0
Total	9308124	76	9308200	99.99918%	0.00082%	0
Based on the above, the Ordinary Resolution No. - 6 has been passed with the requisite majority						
Special Resolution No. 7 : Reappointment of Mr. Jitendra Tuli as Managing Director of the Company						
Remote e-Voting	9306675	1	9306676	99.98362%	0.00001%	0
Voting through Polling paper (in person or by proxy)	1524	0	1524	0.01637%	0	0
Total	9308199	1	9308200	99.99999%	0.00001%	0
Based on the above, the Special Resolution No. - 7 has been passed with the requisite majority						

The resolutions passed by the shareholders are recorded hereunder as part of the proceedings of 125th Annual General Meeting held on August 18, 2015:

ORDINARY BUSINESS

ITEM NO. - 1. ORDINARY RESOLUTION FOR ADOPTION OF (a) THE AUDITED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015, THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON; AND (b) THE AUDITED CONSOLIDATED FINANCIAL STATEMENTS OF THE COMPANY FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015 TOGETHER WITH REPORT OF AUDITORS THEREON

"RESOLVED THAT

- the audited financial statements of the Company for the financial year ended March 31, 2015, the reports of the Board of Directors and Auditors thereon; and
- the audited consolidated financial statements of the Company for the financial year ended March 31, 2015 together with Report of Auditors thereon,

be and are hereby received, approved and adopted."

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ITEM NO. - 2. ORDINARY RESOLUTION FOR DECLARATION OF FINAL DIVIDEND FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015 AND CONFIRMATION OF THE PAYMENT OF INTERIM DIVIDEND PAID DURING THE FINANCIAL YEAR ENDED MARCH 31, 2015

"RESOLVED THAT the final dividend of Rs. 1.50 per equity Share of Rs.10/- each, for the financial year ended March 31, 2015 as recommended by the Board of Directors at their meeting held on May 28, 2015 be and is hereby declared.

RESOLVED FURTHER THAT the interim dividend of Rs. 1.50 per equity Share of Rs.10/- each paid to shareholders in respect of financial year March 31, 2015 be and is hereby confirmed and approved."

ITEM NO. - 3. ORDINARY RESOLUTION FOR APPOINTMENT OF A DIRECTOR IN PLACE OF MR. JITENDRA TULI, WHO RETIRES BY ROTATION AND BEING ELIGIBLE, OFFERS HIMSELF FOR RE-APPOINTMENT

"RESOLVED THAT Mr. Jitendra Tuli, (holding DIN 00272930), who retires by rotation and being eligible, having offered himself for re-appointment be and is hereby appointed as a director of the Company."

ITEM NO. - 4. ORDINARY RESOLUTION FOR APPOINTMENT OF M/S. BSR & CO. LLP, CHARTERED ACCOUNTANTS, AS STATUTORY AUDITORS OF THE COMPANY AND TO FIX THEIR REMUNERATION

"RESOLVED THAT M/s. BSR & Co. LLP, Chartered Accountants, (Firm Registration No. 101248W) be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this 125th Annual General Meeting until the conclusion of the 130th Annual General Meeting, subject to ratification of appointment by shareholders at every Annual General Meeting, at such remuneration plus service tax & out-of-pocket expenses, if any, as may be fixed by the Audit Committee of the Board of Directors of the Company."

SPECIAL BUSINESS

ITEM NO. - 5. ORDINARY RESOLUTION FOR APPOINTMENT OF MR. ARUN KUMAR VEDHERA AS A DIRECTOR OF THE COMPANY, LIABLE TO RETIRE BY ROTATION

"RESOLVED THAT Mr. Arun Kumar Vedhera (DIN 02211540) who was appointed by the Board of Directors as an Additional Director of the Company with effect from June 20, 2015 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 ("Act") and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

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RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

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ITEM NO. - 6. ORDINARY RESOLUTION FOR APPROVAL OF THE REMUNERATION OF THE COST AUDITORS FOR THE FY 2015-16

"RESOLVED THAT pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the rules made thereunder, including any statutory modification(s) or re-enactment thereof for the time being in force, M/s. K C Kohli & Co., Cost Accountants (Firm Registration Number 100541), appointed as Cost Auditors, by the Board of Directors of the Company, to conduct the audit of the cost accounting records of the 'Cotton Textile' manufactured by the Company for the financial year ending March 31, 2016, be paid remuneration of Rs. 50,000/- (Rupees fifty thousand only) plus service tax & out-of-pocket expenses, if any.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

ITEM NO. -7. SPECIAL RESOLUTION FOR REAPPOINTMENT OF MR. JITENDRA TULI AS MANAGING DIRECTOR OF THE COMPANY

"RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to the re-appointment of Mr. Jitendra Tuli (holding DIN 00272930), as Managing Director of the Company, with effect from December 20, 2014 without payment of salary and perquisites but with sitting fees as paid to 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 expenses incurred in the course of business of the Company on actual basis.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution."

All the above resolutions, which were put to vote, were passed with requisite majority.

Date: 14/09/2015
Place: New Delhi

Jitendra Tuli

Jitendra Tuli
(Chairman)

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ANNEXURE-I

CHAIRMAN'S STATEMENT -2015

Dear Shareholders,

On behalf of the Board of Directors and on my own behalf, I extend a very warm welcome to each one of you to the 125th Annual General Meeting of your Company. The Directors' Report and Audited Financial Statements of the Company for the year ended March 31, 2015 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 global economic environment in recent years has been challenging. There is, however some positive news in terms of economic recovery in the United States, which has provided momentum for the global economic recovery.

India's economy is in the midst of a recovery. A number of proactive measures have been initiated to curb the high inflationary trend, control Current Account Deficit, contain currency volatility and promote economic growth. Both external and internal factors including a decline in global crude oil & commodity prices, good inflow of funds through Foreign Institutional Investment (FII) coupled with the reform initiatives of the Government, have supported the revival of economic growth.

After a tepid start, India's economy in FY 2014-15, saw a shift to positive sentiments led by commitments by the Government at the Centre. FY 2014-15 was indeed a year of transformation and optimism. As per the World Bank, the Indian economy is expected to grow @ 7.5% in 2015-16 and is expected to reach around 8% by 2017.

COMPANY AFFAIRS

Your Company has recorded a Net Profit after Tax (PBT) of Rs. 13.92 Crores against PBT of Rs. 36.20 Crores last year. The dip in profit during the year 2014-15 is due to lower profitability of the Textile Division on account of lower global demand, especially from China, besides increase in power cost and higher depreciation. The performance of DCM Engineering Limited, one of the subsidiaries of the Company, continued to be affected in 2014-15 due to a drop in volume in the 2nd half, largely due to lower demand from the tractor industry and also because of partial recovery of increase in input cost in the first half of the year. The volume in 2015-16 is expected to increase with the stabilization of bulk commercial production, in phases, of new items during 2015-16. The continued focus on process improvements and manufacturing techniques besides cost reduction measures in the area of power, manpower and material, have led to improved productivity and cost effectiveness.

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The Board of Directors of your Company has recommended a final dividend of 15% @ Rs. 1.50 per equity share of Rs. 10 each for your approval for the financial year 2014-15. This is in addition to the interim dividend of 15% @ Rs 1.50 per equity share of Rs.10 each which was paid in December 2014.

The Board of Directors has recommended the appointment of Mr. Arun Kumar Vedhera as Director of the company retiring by rotation. In view of his vast experience in material management, supply chain and marketing, it will be in the interest of the company to appoint him as a Director of the Company, liable to retire by rotation.

Mr. S.N Pandey, Director of the company passed away on December 23, 2014. He was 84 years old. He was Chairman of the Board of Directors of the Company from December 20, 2005 to December 19, 2011. Your Board placed on record its deep condolences on his sad demise.

Prof. Joginder Singh Sodhi has resigned from directorship of the Company with effect from February 13, 2015. Your Board placed on record its appreciation for the contributions made by Prof. Joginder Singh Sodhi during his tenure as director of the Company.

TEXTILE BUSINESS

During the year under review, the production of yarn in the textile division increased by 32% (approx.) to 25271 MT from 19095 MT last year, mainly due to successful execution of the expansion project through an addition of 39168 spindles at Hissar entailing a capital cost of about Rs. 105 crores. With this expansion, the capacity of the textile division has increased to 114096 spindles. However, lower global demand, specifically from China, higher depreciation cost due to expansion and increase in power cost during the year resulted in lower PBT of Rs. 3.97 Crores as against PBT of Rs. 45.25 crores in the previous year.

IT BUSINESS

During the year under review, the IT division earned PBT of Rs. 6.44 Crores as compared to PBT of Rs. 4.39 crores in the previous year. This was possible mainly on account of increase in volume both in India and overseas business, better margin on exports and favorable exchange rates. Efforts were made to broaden the customer base and build capabilities in new technology areas. The export of infrastructure services continued to show good growth during the year.

SCHEME OF AMALGAMATION OF DCM ENGINEERING LIMITED INTO AND WITH DCM LIMITED

The Board of Directors of your Company on December 8, 2014 approved the merger of DCM Engineering Limited ('Subsidiary Company') into and with your Company under a Scheme of Amalgamation (i.e. 'Scheme') under sections 391 to 394 and other applicable provisions of the Companies Act, 1956.

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The company had filed the said Scheme with Hon'ble Delhi High court after the receipt of No-objection from BSE and National Stock Exchange. The said Scheme is subject to receipt of court order sanctioning the Scheme and/or other regulatory/statutory approvals as may be applicable.

CORPORATE GOVERNANCE

The Companies Act, 2013 largely applicable now has introduced provisions, which require companies to adhere to stringent corporate governance norms. I am proud to state that your Company has always followed the highest standards of Corporate Governance and considers it as more of an ethical requisite than a regulatory necessity.

SOCIAL RESPONSIBILITY STATEMENT

Your Company has always endeavoured to uphold the concept of corporate social responsibility. As an effort in this direction, the Textile Division of the Company has continued to contribute in running a school up to 10th standard in its campus at Hissar. The company has also taken up the project of civil repair work of the boy's hostel of the school for deaf and dumb children at Hissar. The actual expenditure of the company on CSR during the year was less than 2% of the average net profit of the last three years. The company is in the process of identifying certain other CSR projects/activities and is working on the details thereof to increase its contributions in future.

ACKNOWLEDGEMENTS

Dear shareholders, with astute guidance from our Board of Directors, the unflinching support of our stakeholders, the loyalty of our customers and the dedication of our employees, we are confident of addressing the challenges and to deliver growth that is consistent, competitive, profitable and responsible.

I wish to place on record my deep appreciation to all of you for your unstinted support in our journey towards a brighter future. I express my sincere gratitude to my colleagues in DCM for their 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 their support and co-operation.

I look forward to your continued support and assure you of our total commitment to achieve the objective of restoring DCM Limited to its position as the leading industrial house of north India.

Thank you!

Speech by Mr. Jitendra Tuli, Chairman, at the 125th Annual General Meeting of DCM Limited held on Tuesday, the 18th day of August, 2015, at New Delhi.

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