

Secretarial Department:

Aerodrome Road,
Jamnagar – 361 006, India.

Tel.: +91 (0288) 2712972-73

Fax: (0288) 2712991

e-mail: investors@digjam.co.in

January 18, 2012

Ref. No. CL/8640

1. Bombay Stock Exchange Ltd. (022)22723719/2037/2039/2041/2061
Corporate Relationship Department, 1st Floor, 2272 3121
New Trading Ring, Rotunda Building,
P.J. Towers, Dalal Street, Fort,
Mumbai 400 001 **Code No. 503796**

2. The Manager (022) 2659 8237/8238
Listing Department, 66418124/25/26
National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor,
C/1, Block G, Bandra-Kurla Complex,
Bandra (E),
Mumbai 400 051 **Symbol "DIGJAM"**

Dear Sir,

Sub: - Outcome of Committee of Directors meeting held on January 18, 2012

This is further to our letter no. CL/8597 dtd. January 13, 2012. It may kindly be recalled that vide our letter dtd. January 9, 2012 we had informed that with a view to conserve the resources of the Company, the Board of Directors had considered the proposal for conversion of the outstanding Preference Share Capital aggregating to Rs. 21.62 Crs into Equity Shares to be issued at a price determined by the independent valuer and approved in principle the draft Scheme of Arrangement u/s 391 and other applicable provisions of the Companies Act, 1956 subject to such approvals as may be necessary and authorised the Committee of Directors constituted for this purpose to finalize and approve the Scheme and for other connected matters.

The Committee of Directors at its meeting held today approved the final draft of the said Scheme of Arrangement u/s 391 and other applicable provisions of the Companies Act, 1956 subject to all necessary approvals including the sanction of the Hon'ble High Court of Gujarat. The Scheme, inter alia, provides for conversion of the outstanding Preference Share Capital into Equity Shares at a price of Rs. 14.50 (including premium of Rs. 4.50) per Equity Share as per the value determined by the independent valuer.

A copy of the aforesaid Scheme alongwith the required documents are being forwarded to you separately by courier for your kind approval under Clause 24(f) of the Listing Agreement.

Thanking you,

Yours faithfully,
For DIGJAM Limited



(G.K. Sureka)
Company Secretary

Encl: As above