



**DISCLOSURE DOCUMENT**  
**[As per SEBI (Issue & Listing of Debt Securities) Regulations, 2008]**



**Diamond Power Infrastructure Limited**  
**Registered Office: VILL –Vadadala, Ta – Savli, Dist. Vadodara, Gujarat India.**  
**& Corporate Office: Essen House, 5/12, B.I.D.C. Gorwa, Vadodara - 390016**  
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**Disclosure Document for Private Placement of Secured Redeemable Non-Convertible Debentures (NCDs) in form of Separately Transferable Redeemable Principal Parts (STRPPs) for cash at par aggregating to Rs.17 crores.**




**GENERAL RISK:** For taking an investment decision, investors must rely on their own examination of the issue, the disclosure document and the risk involved. The Securities have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this disclosure document

**ISSUER’S ABSOLUTE RESPONSIBILITY:** The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Disclosure Document contains all information with regard to the Issuer and the Issue, which is material in the context of the Issue, that the information contained in this Disclosure Document is true and correct in all material respects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

**CREDIT RATING:**  
 The NCDs are rated “A” by CARE. Instruments rated “A” are judged to offer adequate of safety with regard to timely servicing of the debt obligations. Such instruments carry low credit risk.

The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in the future. The rating agency has the right to suspend, withdraw the rating at any time on the basis of new information etc.

**LISTING:** Secured Redeemable Non-Convertible Debentures (NCDs) in form of Separately Transferable Redeemable Principal Parts (STRPPs) are proposed to be listed on the Whole Sale Debt Market Segment of the Bombay Stock Exchange (BSE).

<p><b>DEBENTURE TRUSTEE</b></p>  <p><b>Unit Trust of India Investment Advisory Services Limited</b>                  Unit No. 2 Block B, 1<sup>st</sup> Floor, JVPD Scheme, Gulmohar Cross Road No.9, Andheri (West), Mumbai 400 049  <b>Tel: +91 22 2628 5289</b>  <b>Fax: +91 22 2628 5239</b>  <b>Email: <a href="mailto:vivek.kumar@uti.co.in">vivek.kumar@uti.co.in</a></b></p> <p><b>Contact person: Mr. Vivek Kumar</b></p>	<p><b>REGISTRAR TO ISSUE</b></p>  <p><b>Karvy Computershare Pvt Ltd</b>                  Plot No 17-24, Vittal Rao Nagar, Madhapur, Hyderabad-500081  <b>Tel: 91-040-44655000</b>  <b>Fax: 91-040-23420814</b>  <b>Email: <a href="mailto:ussingh@karvy.com">ussingh@karvy.com</a></b>  <b>Website: <a href="http://www.karvycomputershare.com">www.karvycomputershare.com</a></b>  <b>Contact person: Mr U.S.Singh</b></p> 
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This schedule prepared in conformity with SEBI (Issue & Listing of Debt Securities) regulations, 2008 issued vide circular no. LAD-NRO/GN/2008/13/127878 dated June 6, 2008 (referred in this document “SEBI guidelines”) for private placement and is neither a prospectus nor a statement in lieu of prospectus and does not constitute an offer to the public generally to subscribe for or otherwise acquire the debentures to be issued by the Issuer.



## DEFINITIONS AND ABBREVIATIONS

The Company / Issuer	Diamond Power Infrastructure Limited with its registered office at Phase II, Vil.Vadadala, Tal.Savli, Dist.Vadodara 391520
Application Form	The form in which an investor can apply for subscription to the Debentures/ STRPPs
Allotment Intimation	An advice informing the allottee of the number of Letter(s) of Allotment/ Debenture(s)/ STRPPs allotted to him in Electronic (Dematerialised) Form
Allot/Allotment/Allotted	Unless the context otherwise requires or implies, the allotment of the Debentures/ STRPPs pursuant to the Issue
Articles	Articles of Association of the Company
Board	Board of Directors of the Company or a Committee thereof
Credit Rating Agency	CARE or any other Rating Agency, appointed from time to time
Coupon Payment Date	Date of payment of interest on the Debentures/ STRPPs
Debentures	Secured Redeemable Non-Convertible Debenture(s) of Rs.10 Lakhs in form of Separately Transferable Redeemable Principal Parts (STRPPs) of face value of Rs. 1 Lakh each aggregating to Rs. 17 crores issued by the Issuer pursuant to the terms and conditions set out in this Disclosure Document.
Debenture/ STRPPs holder(s)	The investors who are Allotted Debentures/ STRPPs.
Debenture Trustee	Trustee for the Debenture holders, in this case being Unit Trust Of India Investment Advisory Services Limited
Depository/ies	National Securities Depository Ltd. (NSDL) / Central Depository Services (India) Limited (CDSL)
DP	Depository Participant
FEMA Regulations	The Regulations framed by the RBI under the provisions of the Foreign Exchange Management Act, 1999, as amended from time to time
FII	Foreign Institutional Investor (as defined under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995) registered with SEBI
I.T. Act	The Income-tax Act, 1961 as amended from time to time
Disclosure Document	This Disclosure Document through which the Debentures/ STRPPs are being offered for private placement
HT	High Tension
Issue	Issue of Secured, Redeemable Non-Convertible Debentures with Separately Transferable Redeemable Principal Parts (STRPPs) on a Private Placement basis
ISIN	International Securities Identification Number
KMS	Kilometers
KVA	Kilo volt Ampere
LT	Low tension
MVA	Mega Volt Ampere
Memorandum / MoA	Memorandum of Association of the Company
NCD(s)	Secured Redeemable Non-Convertible Debenture(s) of Rs. 10 Lakhs each in form of Separately Transferable Redeemable Principal Parts (STRPPs) of face value of Rs. 1 Lakh each aggregating to Rs.17 crores issued by the Issuer pursuant to the terms and conditions set out in this Disclosure Document



SEBI Regulations	The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued by SEBI
Stock Exchange	The Bombay Stock Exchange (BSE)
STRPPs	Separately Transferable Redeemable Principal Parts
The Act	The Companies Act, 1956 (as amended from time to time)
NRI	A person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the FEMA Regulations.
Registrar/Registrar to the Issue	Registrar to the Issue, in this case being <b>Karvy Computershare Pvt Ltd.</b>
ROC	The Registrar of Companies, Vil.Vadadala, Tal.Savli, Dist.Vadodara, Gujarat
RTGS	Real Time Gross Settlement, an electronic funds transfer facility provided by RBI
RBI	The Reserve Bank of India
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 (as amended from time to time).





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**I. NAME AND ADDRESS OF THE REGISTERED OFFICE OF THE COMPANY.**

Name	Diamond Power Infrastructure Limited
Registered Office:	Vill – Vadadala, Ta- Savli, Dist.Vadodara , Gujarat
Tel:	+91 2667 -251516
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Website	<a href="http://www.dicabs.com">www.dicabs.com</a>

**Compliance Officer**

**Contact Person: Mr. Amit Bhatnagar**

**Corporate Office:** ESSEN HOUSE,  
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**Fax: +91 265 - 2284328**

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Investors can contact the Compliance officer in case of any pre-Issue related problems such as non-receipt of letter of allotment, credit of debentures, interest on application money etc in the respective beneficiary account or refund orders, etc.

**AUDITORS**

**Vijay Tewar & Co**  
**315-315, Panorama,**  
**R.C. Dutt Road,**  
**Vadodara - 390007**

**ARRANGER TO THE ISSUE**

**A.K. Capital Services Ltd**  
**Mumbai.**





**NAMES AND ADDRESSES OF THE DIRECTORS OF THE COMPANY.**

(June 30, 2011)

**The composition of the Board of Directors of the Company as on date is as under:**

Sr.No	Name	Designation	Address
1	<b>Mr.S.N. Bhatnagar</b>	Chairman	6, Green Park Nizampura, Vadodara, Gujarat-390002
2	<b>Mr. Amit Bhatnagar</b>	Managing Director	6, Green Park Nizampura, Vadodara, Gujarat-390002
3	<b>Mr. Sumit Bhatnagar</b>	Joint Managing Director	6, Green Park Nizampura, Vadodara, Gujarat-390002
4	<b>Mr. Ranvir Singh Shekhawat</b>	Non Executive Independent Director	D-227, Tulsi Marg,, Bani Park, Jaipur, 302016, Rajasthan, India
5	<b>Mr. N.N.Bhatnagar</b>	Non Executive Independent Director	B-67, Oriental Aprt., Sector 9, Rohini, Delhi – 110 085
6	<b>Mr. Tnc Rajagopalan</b>	Non – Executive Independent Director	5, Laxmi Society, Nr.Haribhakti Colony, Old Padra Road, Vadodara, Gujarat-390 007
7	<b>Dr.Mrs.Vasantha Bharucha</b>	Non – Executive Independent Director	2450-Sector C Pocket 2, Vasantkunj, New Delhi- 110 070
8	<b>Mr.Aswini Sahoo</b>	Non – Executive Nominee Director	Flat No 46, Tower B, Raheja Sherwood, Goregaon (East)
9	<b>Mr.Kirit Vyas</b>	Non – Executive Independent Director	10, Green Park, Bhavanipura-2, Nizampura, Baroda, 390002, Gujarat,

**The Company certifies that none of its Directors are appearing on the RBI / ECGC defaulters list.**





## II. BRIEF SUMMARY OF THE BUSINESS/ ACTIVITIES OF THE ISSUER AND ITS LINE OF BUSINESS.

### COMPANY OVERVIEW

**Diamond Power Infrastructure Limited (DPIL)** is a leading manufacturer and supplier of equipments for power transmission and distribution (“T&D”) segment, as well as provide engineering, procurement and construction (“EPC”) services for transmission and distribution services in the power sector. The Company commenced its operations in 1970 with a facility for manufacturing traditional ACSR type conductors in Vadodara. The operations are divided into the following segments: conductors, power cables, transformers and power infrastructure. Additionally, the facility for manufacturing transmission towers is expected to be commissioned by September 2010. It is headquartered in Vadodara, India and have offices in Mumbai, New Delhi and Chennai. The primary manufacturing facility (for conductors, power cables and transmission towers) is situated at village Vadadala, taluka Savli, Vadodara spread across 22.85 acres. The distribution transformers manufacturing facility is in Ranoli, Vadodara, with an area of approximately 0.57 acres.

DPIL manufactures following categories of products and their uses are given below:

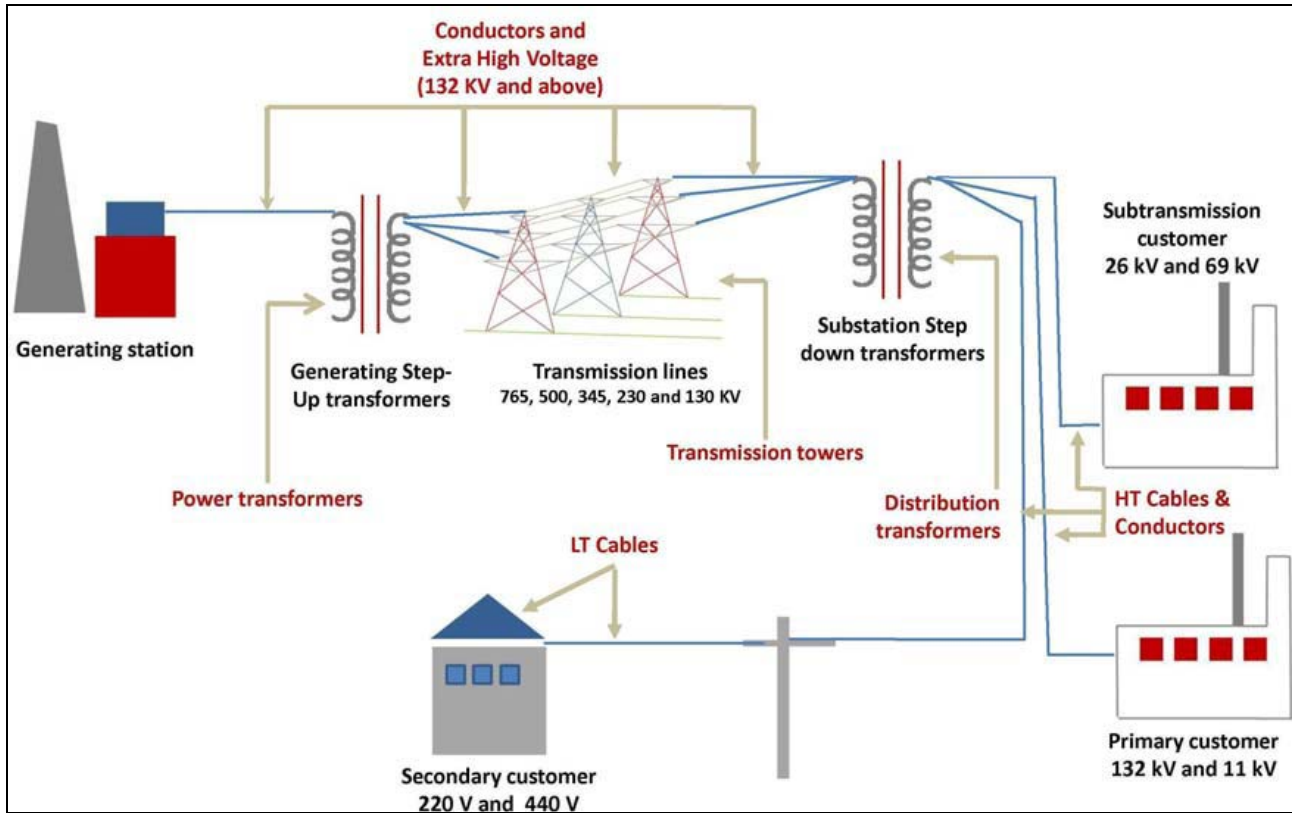
Business	Type	Capacity	Ranges	Application of the product
Conductor	AAAC & ACSR	50,500 MPTA	From 11kva to 765 kva	From 7 strands to 91 Strands
Cables	HT Cables (Dry Cure)	3000 Kms	From 11kv to 132 kva	Sub-transmission of power from sub-stations to load centre
	HT Cables (Wet Cure)	2000 Kms		
	EHV Cables	2000kms	From 132 KVA TO 550 KVA	From transmission of power to sub station of step down
	LT Cables	34,500 Kms	Upto 1.1kv	Distribution of power to be used by end consumers
Transformer	Distribution	5000 MVA	16 kVa to 10 mva-33 kV class – Distribution Transformer	For supplying power to consumer at low voltage from 23 votts single phase to 400 votts
			10 mva to 150 mva-550 kV Class – Power Transformer	For stepping up or stepping down the transmission voltage, usually from 66kV to 765 kV
Transmission Tower		48,000 MPTA		







**DESCRIPTION OF THE BUSINESS:**



The end to end solutions begins with a comprehensive range of products indigenously designed, developed and manufactured at the state-of-the-art facilities. These include power cables, high strength alloy conductors, HT/LT cables integrated units for highly reliable power and distribution transformers complete their product portfolio.

**Brief History**

**The Power Centres:**

Diamond leads with technology, setting up some of the most modern and integrated facilities, for manufacturing high performance power equipment. The facilities are flexible, have high scalability and are spread across five locations in Western India.

**CABLES AND CONDUCTORS BUSINESS GROUP:**

- Conductors Business:**

Diamond Power Infrastructure Ltd has had its humble origins in the Conductors business, established in 1970 in Vadodara, Gujarat. Over a period of 37 years, it has grown to be India’s Third largest with an installed capacity of over 50,500 MT and two manufacturing facilities at Savli – Gujarat and Silvassa – UT of Dadra & Nagar haveli / Silvassa. Diamond manufactures all types of conductors ranging from 7 Strand to 91 Strand from 11Kv to 765 KV Lines. As part of their Endeavour to be fully integrated, they set up Aluminium Wire Rods manufacturing unit. By doing this, Diamond became India’s only integrated conductor manufacturer, with various other landmarks like developing Alloy Conductors in 1989 and Proto- Testing HSSC (High Strength and High Conductivity Conductors). It received the ISO 9000in 1995, its products being type tested in CPRI, ERDA, TAG and other prestigious independent labs. It is the winner of the International Gold Star Award, Quality Award from BID Spain and the first BIS Mark holder for Alloy Conductors in India. The Conductor segment accounts for 42 % of the company’s revenue in FY10. The total orders received & under execution are over Rs.393 crores.

**Diamond is the undisputed leader in the conductor industry, with the market share of 25% in the private sector. The key clientele includes ABB, Crompton greaves, Power grid, Alstom, TATA, L&T etc**







- **Power Cables Business:**

As an extension to its Conductors Business, Diamond set up a small facility to manufacture LT Power cables at Vadadala, Gujarat in 1994. In small phases the capacity has grown to 9500 Kms per annum by 2009. In 2007 it took a giant leap by setting up a 132Kv HT cables plant with a capacity of 5000Kms per annum and a large LT Cables Plant with a capacity over 25,000 kms. Diamond power cables, known as “DICABS”, are preferred by a spectrum of utilities like refineries, cement plants, Power Plants, Engineering Industries, Pharma units among several others and are also sold through a large dealer network. The Cable segment accounts for approx 13% of the company’s revenue in FY 10.

Diamond manufactures low-tension (“LT”) cables of upto 1.1 kV, high-tension (“HT”) cables of up to the voltage class of 132 kV for various applications covering most sections of users including industrial, utility and buildings. The Company is in the process of commissioning our facility at Vadadala for manufacture of extra high voltage (“EHV”) cables of up to 550 kV capacity during the current Fiscal. Upon commissioning, EHV cable facility is expected to have an annual installed capacity of 2,000 kms. Total orders for LT Cables received under execution over Rs.85 crs.

- **Wires**

Diamond launched its Wires business in 2006, with collaborative outsourcing from two key facilities in Himachal Pradesh and Rajasthan. It launched an entire range of House Wires, Multicore Flexibles, Panel Wires, CAT Cables and various types of Security cables.

- **Transformers**

DIPL’s subsidiary Diamond Power Transformers Limited, manufactures power distribution transformers up to 10 mva capacity class and 33 kV voltage class. A significant proportion of the products under transformers segment are exported.

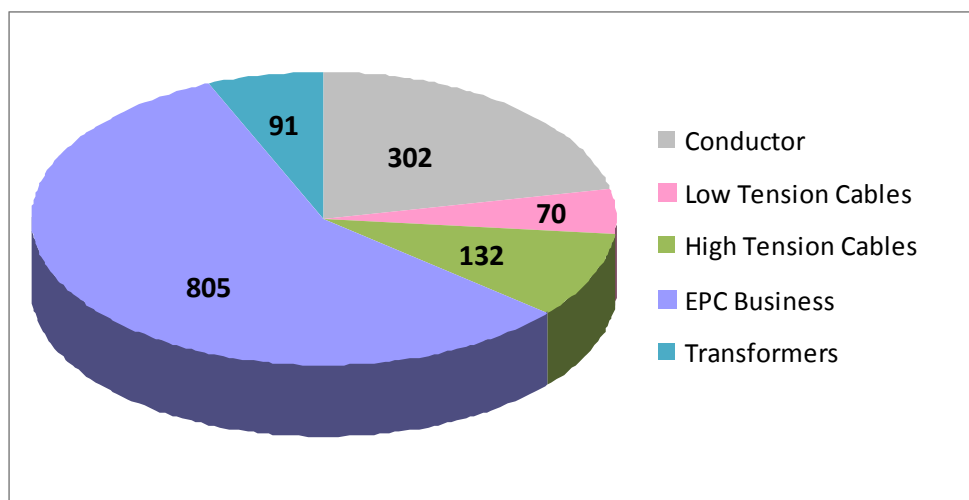
- **Power Infrastructure – EPC services**

DPIL is currently providing EPC services too, for the power distribution sector. DPIL design, engineer and procure materials for and construct electricity distribution networks, including in rural India. In 2006, the company secured the first rural power distribution project from Gujarat Urja Vikas Nigam Limited for the electrification of the villages in nine districts under Rajiv Gandhi Gramin Vidyutikaran Yojna (‘RGGVY’), a scheme of the central government.

DPIL is currently in the process of commissioning a transmission tower manufacturing facility at our Vadadala plant, with an annual installed capacity of 48,000 MT. The trial Production of Transmission Tower is completed in September 2010 and will enable us to also enter EPC services in power transmission segment.

**Order book**

The consolidated order book as on 20<sup>th</sup> January, 2011 is Rs. 1400.00 Crores. The level of the order book affects the management of the business in terms of the application and utilization of their resources. Their results of operations are dependent upon the number and value of new contracts the company enters into in India and overseas. A segment-wise break up of the order book as of Nov 25, 2010 is as follows:





## COMPETITIVE STRENGTHS:

- **Integrated player in the power transmission and distribution segment**

With the acquisition of DPTL in 2007, they now have three critical power transmission and distribution products in their fold namely conductors, cables and transformers. With the commissioning of the transmission towers facility, the company will be fully integrated player in the power T&D segment. In the EPC services for the power distribution sector, the company sources significant quantities of critical and high volume items which form the bulk of the cost of the project including conductors, LT cables and distribution transformers from their in-house facilities, while remaining products are procured from approved vendors. This reduces their dependence on third party suppliers of these products and ensures timely supply of the products for their projects. The company believes this also helps them to bid in tenders/projects competitively and allows them to provide cost synergies to their customers.

- **Diversity in the product portfolio in different verticals**

The company offers a diverse portfolio for each of the product that they manufacture. In cables segment, they manufacture and supply LT cables from 1.1 kV to HT cables up to 132 kV for power transmission and distribution purpose. They also manufacture and supply aerial bunch cables for both LT as well as HT lines. The company believes that maintaining a diverse portfolio in their manufacturing business provides them with an opportunity to cater to diverse needs of retail as well as institutional customers.

- **Focus on high voltage products in different verticals**

The company moved up the value chain with an increased focus on the high voltage products in the different businesses of the T&D segment. For instance, in the cables segment, in addition to the LT cables and HT cables, the company is in the process of setting up a facility in Vadadala to manufacture EHV cables of up to 550 kV capacity with an annual installed capacity of 2,000 kms while in the transformers segment, they are manufacturing 10 mva, 33 kV class power 80 transformers. Further, developing and manufacturing the high voltage products needs substantial investment in terms of both time and money and provides an effective entry barrier for new and small competitors in the market.

- **Long operating history with long standing customer relationships**

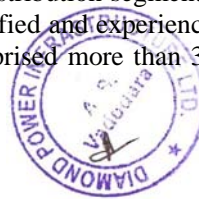
They have been in various segments of power T&D for more than 40 years and their major customers include the state electricity boards, and other private entities and public sector undertakings. Through a series of steps taken towards backward integration of their business, they have expanded their existing facilities along with adding new products to their portfolio and have added value to their products and services. The company believes that the quality of their products and services is demonstrated by the fact that they generally receive repeat orders from their customers in all the segments. The company believes in long operating experience in the power T&D segment.

- **Research and development capabilities and focus on latest technology**

The company makes continuous efforts to update, technically and qualitatively and apply new techniques in the manufacturing process so as to achieve a better product quality and technical reliability. They have a research and development facility in Vadodara. They have a dedicated team of approximately 32 employees in the research and development department (as at May 31, 2010). The research and development department supports the development of their power transmission and distribution products. The company adopted the technology for manufacturing aluminum alloy conductors in 1988.

- **Strong parentage, qualified employee base and management team**

The company benefits from their Promoter's background in the power transmission and distribution industry. The Promoters have the technical and commercial qualifications and over 20 years of experience in the various segments of power transmission and distribution segment with requisite industry domain knowledge. In addition, the management team is well-qualified and experienced in the industry. As of May 31, 2010, the total workforce, including that of DPTL, comprised more than 320 individuals, all of which were full-time employees.





## BUSINESS STRATEGY:

- **Capitalize on growing demand for power infrastructure in India**

According to the Indian Ministry of Power's "Power to All" by 2012 plan, the Indian Government plans to invest Rs. 4,000 billion on the generation, transmission and distribution of power. Specifically, the Government is planning to add generation capacities of 78,557 MW and 82,200 MW during its 11th and 12th five year plans. The company is an approved vendor with several public sector entities as well as has developed relationships with various entities from whom they received repeat orders. They have also increased the annual installed manufacturing capacity for LT cables from 9,500 kms to 34,500 kms and are in the process of commissioning the manufacturing facility for transmission towers. Further, in the conductors segment, they have annual installed capacity of 50,500 MT and the production for the Fiscal ended March 31, 2010 was 35,300 MT, thereby allowing them to scale up their operations in conductors segment based on the demand. The company also proposes to acquire strategic stake in Apex Electricals Limited, currently under restructuring process with BIFR, which has been in the business of manufacturing power transformers.

- **Increased focus on providing EPC services in the power transmission and distribution sector**

- With the commissioning of the proposed transmission towers manufacturing facility, the company intends to be an integrated player in the power infrastructure sector, with end to end facilities to manufacture the material T&D project requirements in-house. The company intends to focus on the increased in-house synergy of these critical businesses to follow a diversified strategy for growth focused on EPC contracting for power transmission and distribution sector. **In furtherance of the same, the company proposes to:**
  - maintain an appropriate range of contract durations, for instance 12 to 18 month contracts for their EPC business,
  - Factor project-specific and client-specific risks and uncertainties into their bids and EPC contracts to manage and allocate risks and uncertainties in a manner that reduces their financial exposure.
  - focus on the capital utilization and structure, so as to optimize the results and engage in analysis and
  - Identification of projects.
  - Enter into contracts with counterparties who have high credit ratings and/or strong balance sheets and with cash-rich entities as well as for projects with appropriate payment security mechanisms.
  - Enter into sub-contract arrangements with local contractors for certain services in the newer markets and regions.

- **Increased focus on the retail sector in power cables**

The company generates a large percentage of their consolidated revenues from sales to institutional customers, as compared to retail customers in certain segments of their operations. In power cables segment, while generated high percentage of revenue in LT cables during Fiscal 2010 from retail sector, the company is focused on increasing the participation of retail customers for HT cables and EHV cables. The company also intends to increase the dealer network from the current 65 to up to 200 in the current Fiscal. This would enable to reach wider segment of the customers and create further brand awareness.

- **Sustainable and diversified business model**

The company focuses on creating a sustainable and diversified business model in order to grow their revenues. They intend to continue following a diversified strategy for growth by increased diversification of products within the verticals of business in which they operate. They intend to maintain a diverse client base between the public and private sectors and continue to focus on research, development and manufacturing of latest technology equipment and products for their clients.

- **Expanding into international markets**

As part of the expansion plans, in the conductors and transformers business, they have expanded their presence in the overseas markets, especially in Africa and Middle East.

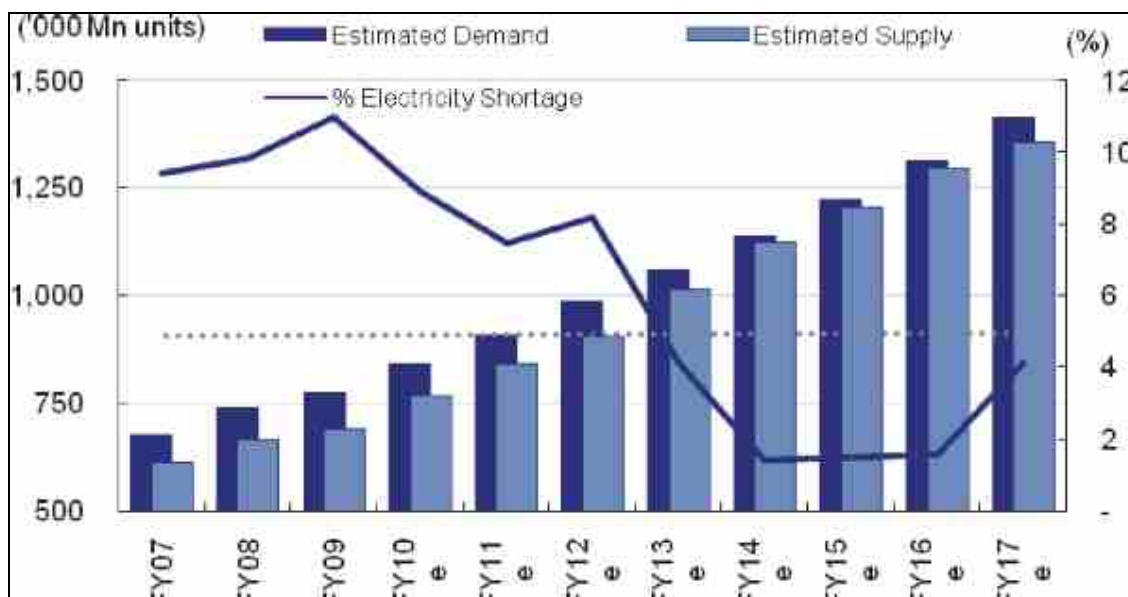


## INDUSTRY OVERVIEW:

### The Indian Power Industry:

There are tremendous potential of growth of Power sector in the India. Country's vibrant economy needs matching improvements in the infrastructure hence Power sector need focused attention. Ministry of Power has taken number of legislative and policy initiatives to expedite power sector development. All these initiatives provide lots of investment opportunities to FIIs and other investors. During the last 50 years, the thermal generation registered a spectacular growth. However, the growth in hydro generation was very poor. Also on the nuclear front, 10 Nuclear power plants accounted for only around 2% of total utility generation. Owing to the decline in hydro development and prevailing peak power deficits, coal fired thermal power units are often used for meeting peak loads. Poor performance of India's existing generating units has been a principal cause of worry. The average plant load factor (PLF) of thermal power stations in India is less than 60%, but varies considerably across the regions. In contrast, hydro power stations have far better track record due to the fact that their performance relies largely on water flow.

### Supply concerns looms large for the sector



Our country's installed generation capacity is needed to increase to 2,00,000 MW by 2012 from the present capacity of 1,14,000 MW with an investment of about Rs. 11,00,000 crores. The Government policy envisages two routes for inviting private sector participation i.e. through Joint Venture of Power grid and the private investor and the other route called IPTC (Independent Power Transmission Corporation) through 100% FDI. Further, the estimated demand for power generation in 2016-17 is about 3.06 lacs MW which in turn 50 % addition to the demand as envisaged in 2012.

### Infrastructure Additions Transmission:

The transmission of electricity is defined as bulk transfer of power over a long distance at high voltage. In India, bulk transmission infrastructure has increased from 3708 ckm in 1950 to more than 300,000 ckm up till now. The country has been divided into five regions for transmission of electricity. The planning of transmission system in the country had traditionally been linked to generation projects as part of an evacuation system. Ability of the power system to safely withstand a contingency without generation rescheduling or load-shedding was the main criteria for planning the transmission system.

Transmission planning has moved away from the earlier generation evacuation system planning to integrate system planning. While the predominant technology for electricity transmission and distribution has been Alternating Current (AC) technology, High Voltage Direct Current (HVDC) technology has also been used for interconnection of all regional grids across the country and for bulk transmission of power over long distances. The country's transmission perspective program for 10<sup>th</sup> and 11<sup>th</sup> plan focuses on the creation of a National Grid in a phased manner by adding over 60,000 ckm of Transmission Network by 2012. Such an integrated grid shall evacuate additional 1, 00,000 MW by the year 2012 and carry 60% of the power generated in the country. The existing inter-regional power transfer capacity is 9,000 MW, which is to be further enhanced to 30,000 MW by 2012 through creation of "Transmission Super Highways".



The investment plan for achieving the target results spread in phase manner consisting three phase wherein 1<sup>st</sup> phase deals with interconnection between regional and thereby to achieve inter regional transfer, 2nd phase deals with inter regional connectivity through hybrid system consisting high capacity AC (765kV and HVDC) lines and third phase deals with strengthening of National grid through 765kV AC line.

The T&D losses can be reduced substantially with further investment on T&D networks, which are presently in the range of 18% to 62% in various states and the aggregate technical and commercial (AT&C) losses are in the range of 50%. Reduction of these losses by undertaking distribution system improvement works requires heavy capital investments.

High technical losses in the system are primarily due to inadequate investments over the years for system improvement works, which has resulted in unplanned extensions of the distribution lines, overloading of the system elements like transformers and conductors, and lack of adequate reactive power support. By undertaking suitable system improvement schemes based on computer studies, it should be possible to bring down the technical losses in the distribution system to the level of 9%.

### **Cable Industry in India**

Cables manufactured in India includes PVC/FRLS cables, XLPE cables, submarine cables, aerial bunched conductor cable, telecommunication cable such as jelly filled cables, optical fiber cables, Housing wiring etc. The cable industry may be mainly divided into four segments viz; house wiring (up to 440V), LT (1.1 to 3.3kV), HT (11 to 66kV), EHV (66kV). There is a definite upward technological movement along with the growth rate in cables and wire industry in India. The demand for optical fiber cable is expected to grow at compounded annual growth rate of 17% to 1.8-2.4 million fiber kilometers over the next 3 years as producers are reporting healthy order book position on the back of increased demand for broadband deployment.

Abnormal fluctuation in the major raw material costs namely aluminum, copper, XLPE, PVC compounds accounting to around 60% of the production cost, is highest cause of concern. In addition to that competition from abroad based manufacturers is posing real threat to the Indian cable manufacturers. However, the industry hopes that with increase in government spending on the infrastructure and restructuring of SEBs, the fortunes of the industry will Capital formation in India is driving demand for various products and one of them is cables. Cables are needed for almost every new construction. Demand from power sector for laying new lines and upgrading the existing power distribution network across the country is clearly driving up the demand for cables.

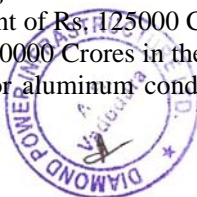
### **Conductor Industry in India**

Aluminum Conductors are used transmission and Distribution Systems to carry the general electrical energy from generating station to the end users. The net work is known as Transmission and Distribution Systems. The Transmission system delivers bulk power from power station to the load centers and large industrial consumers beyond the economical service range of the regular primary distribution lines, where as distribution system delivers power from power sector or sub stations to various consumers. This transmission and distribution can employ either overhead systems or underground systems. Aluminum conductors are used for overhead systems. Aluminum conductors are of mainly three types:

- All Aluminum Conductors (AAC)
- All Aluminum Alloy Conductors (AAAC)
- Aluminum Conductors Steel reinforced (ACSR)
- Ariel Bunch Conductors (ABC)

In terms of length, transmission conductors account for around 19% and the balance 81% is accounted for by distribution conductors. By weight, transmission and distribution conductors each have a share of 50%. For transmission, ACSR accounts for 92% and the balance 8% AAAC. For distribution, AAAC conductors account for 55%, ACSR 32% ABC 7% and AAC 6% (Source: AC Nielson Report).

Typically around 40% of the transmission projects cost accounts for conductors, 20% for Towers and balance 40% for others. There for, out of the planned investment of Rs. 125000 Crores during the 11th five year plan, potential demand for conductors is estimated at whopping Rs. 50000 Crores in the next five years. According to the survey done by AC Nielson during 2005-06, the total demand for aluminum conductor is expected to reach 1.2 mn MT in 2010 from 730000 mt pa, at a CAGR of 18%.







**III. BRIEF HISTORY OF THE ISSUER SINCE ITS INCORPORATION GIVING DETAILS OF ITS ACTIVITIES INCLUDING ANY REORGANIZATION, RECONSTRUCTION OR AMALGAMATION, CHANGES IN ITS CAPITAL STRUCTURE, (AUTHORIZED, ISSUED AND SUBSCRIBED) AND BORROWINGS, IF ANY.**

Capital as on March 31, 2011 is set forth below:

(In Crs except per share data)

Sr. No.	Particulars	Aggregate Nominal Value	Issue Amount
<b>1</b>	<b>Share Capital</b>		
<b>A</b>	<b>Authorized Capital</b>		
	<b>5,00,00,000 Equity shares of Rs. 10 each</b> (Previous year 5,00,00,000 Equity shares of Rs.10/- each)	50.00	
<b>B.</b>	<b>Issued, Subscribed and Paid up Capital:</b>		
	<b>3,72,06,371 Equity shares of Rs.10/- each, fully paid up</b>		
i.	(previous year 3,00,62,760 Equity Shares of Rs.10/- each, fully paid up)		37.21
<b>2</b>	<b>PRESENT ISSUE OF DEBENTURES THROUGH THIS Disclosure Document</b>		
	<b>Issue of 170 Secured Redeemable Non-Convertible Debentures of Rs.10,00,000/- ('NCD'/ 'Debentures') in form of Separately Transferable Redeemable Principal Parts (STRPPs) of the face value of Rs. 1,00,000/- aggregating to Rs.17.00 crores</b>		17.00
<b>3</b>	<b>PAID-UP SHARE CAPITAL AFTER THE PRESENT ISSUE</b>		
	<b>3,72,06,371 Equity shares of Rs.10/- each</b>		
	(The issue is private placement of Secured Redeemable Non-Convertible Debentures (NCDs) which would not have any impact on the Paid up share capital of the Company)		37.21
<b>4.</b>	<b>Share Premium Account</b>		
a.	Before the Issue	252.29	
b.	After the Issue	252.29	
<b>5.</b>	<b>Loan Funds</b>		
a.	Secured Loans	413.25	
b.	Unsecured Loans	30.00	





## SHARE CAPITAL HISTORY

(June 30, 2011)

Meeting	Number of Equity Shares	Cumulative Amount (Rs.)	Face Value (Rs.)
1993-94	50,00,000	5,00,00,000	10.00
1994-95	50,00,000	10,00,00,000	10.00
1995-96	-	10,00,00,000	10.00
1996-97	-	10,00,00,000	10.00
1997-98	-	10,00,00,000	10.00
1998-99	-	10,00,00,000	10.00
1999-2000	1,00,00,000	20,00,00,000	10.00
2000-01	-	20,00,00,000	10.00
2001-02	-	20,00,00,000	10.00
2002-03	-	20,00,00,000	10.00
2003-04	-	20,00,00,000	10.00
2004-05	-	20,00,00,000	10.00
2005-06	-	20,00,00,000	10.00
2006-07	-	20,00,00,000	10.00
2007-08	1,00,00,000	30,00,00,000	10.00
2008-09	-	30,00,00,000	10.00
2009-10	2,00,00,000	50,00,00,000	10.00

## Equity Share History

(June 30, 2011)

Date	Equity Capital (Rs. in Crores)	Reason	Premium - Equity Share	Ratio
15/01/1994	4.78	Public Issue	0	0:0
19/05/1995	9.56	Rights Issue	4	1:1
17/06/2000	13.52	Issued To Promoters, Friends, etc.	0	0:0
14/07/2006	14.27	Issued To Promoters	85	0:0
29/05/2007	15.52	1250000 shares have been allotted at a premium of Rs 85 per share Clearwater Capital Partner (Cyprus) Ltd on conversion of debentures.	85	0:0
30/06/2007	16.77	Debenture Conversion	0	0:0
31/03/2008	17.57	As Per Corporate Results	0	0:0
10/11/2008	18.31	Conversion of Warrants 738410 shares have been allotted to Diamond Projects Ltd on conversion of share warrants.	0	0:0
2/12/2008	19.76	Conversion of Warrants : 1450000 shares have been allotted at a premium of Rs.141 per share to Diamond Tele-Cabs Pvt Ltd(700000 shares) and Clearwater Capital Partners Cyprus Ltd(750000 shares) on conversion of warrants.	141	0:0
18/12/2008	20.55	Conversion of Warrants : 788410 shares have been issued at a premium of Rs.141 per share to Diamond Tele-Cabs Pvt Ltd (538410 shares) and Clearwater Capital Partners Cyprus Ltd (250000 shares).	141	0:0
31/12/2008	21.05	As Per Corporate Results	0	0:0
16/12/2009	28.06	Bonus Issue	0	1:3
28/07/2010	33.66	Issued to QIBs - 5593727 shares have been allotted at a premium of Rs.193.80 per share to QIBs	193.8	0:0
31/08/2010	34.54	Preferential Issue of Shares 883217 shares have been allotted at a premium of Rs.193.80 per share.	193.8	0:0
30/09/2010	37.21	As Per Corporate Results	0	0:0





## Equity Shareholding Pattern of the Company on as on June 30, 2011

### Equity Shares

Category of Shareholder	Total No. of Shares	% of the holding
<b>(A) Shareholding of Promoter and Promoter Group</b>		
<b>(1) Indian</b>		
Individuals / Hindu Undivided Family	4,112,547	11.05
Bodies Corporate	10,844,266	29.15
<b>Sub Total</b>	<b>14,956,813</b>	<b>40.20</b>
<b>(2) Foreign</b>		
<b>Total shareholding of Promoter and Promoter Group (A)</b>	<b>14,956,813</b>	<b>40.20</b>
<b>(B) Public Shareholding</b>		
<b>(1) Institutions</b>		
Mutual Funds / UTI	2,217,828	5.96
Financial Institutions / Banks	6,615	0.02
Foreign Institutional Investors	4,732,656	12.72
<b>Sub Total</b>	<b>6,957,099</b>	<b>18.70</b>
<b>(2) Non-Institutions</b>		
Bodies Corporate	1,227,549	3.30
<b>Individuals</b>		
Individual shareholders holding nominal share capital up to Rs. 1 lakh	5,164,915	13.88
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	1,767,947	4.75
<b>Any Others (Specify)</b>	<b>7,132,048</b>	<b>19.17</b>
Clearing Members	21,392	0.06
Non Resident Indians	815,313	2.19
Foreign Corporate Bodies	4,087,218	10.99
Trusts	2,208,125	5.93
<b>Sub Total</b>	<b>15,292,459</b>	<b>41.10</b>
<b>Total Public shareholding (B)</b>	<b>22,249,558</b>	<b>59.80</b>
<b>Total (A)+(B)</b>	<b>37,206,371</b>	<b>100.00</b>

- The number of shareholders of the Issuer Company as on June 30, 2011 is 18317.





#### IV. SECURITIES TO BE ISSUED AND LISTED UNDER CURRENT DOCUMENT

Under the purview of current document, the Company intends to raise an amount of to Rs.17 Crores of Secured Redeemable Non-Convertible Debentures (Debentures) in form of Redeemable, Separately Transferable Redeemable Principal Parts (STRPPs)

The company has a valid rating of “A” by Credit Analysis and Research Ltd (CARE). As per the details given below, the rating letter is enclosed at the end of this document.

Detailed term sheet the debenture issue is given in below in this document.

CREDIT RATING: ‘A’ by CARE rating letter dated 11<sup>th</sup> April, 2011. Instruments with this rating are considered to offer adequate safety for timely servicing of debt obligations. Such instruments carry low credit risk.

The rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in the future. The rating agency has the right to suspend, withdraw the rating at any time on the basis of new information etc.





## V. DETAILS OF ISSUE SIZE

The Company proposes to mobilize through private placement of Secured Redeemable Non-Convertible Debentures ('NCD' / 'Debentures') of Rs.10,00,000/- in form of Separately Transferable Redeemable Principal Parts (STRPPs) of the Face Value of Rs.1,00,000/-each at par aggregating to Rs.17.00 crores

### Summary Term Sheet

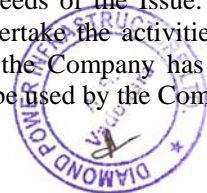
Particulars	Terms
<b>Issuer/Borrower</b>	<b>Diamond Power Infrastructure Limited</b>
<b>Issue Size</b>	<b>Rs.17 crores</b>
<b>Nature of Instrument</b>	<b>Secured Redeemable Non-Convertible Debentures ('NCD' / 'Debentures') in form of Separately Transferable Redeemable Principal Parts (STRPPs) series XX, XXI, XXII &amp; XXIII.</b>
<b>Credit Rating</b>	'A' by CARE
<b>Instrument Form</b>	Only in Dematerialized Form
Denomination of the Instrument/ Face Value	Each Debenture of Rs. 10 lakhs comprising of 10 Detachable and Separately Transferable Redeemable Principal Parts (STRPPs) of face value of Rs. 1 Lakh each. Debentures holder shall be allotted 4 series different ISIN number by the Depository (ies). Debentures /STRPPs shall be issued as well as redeemed at par.
No. Of Debentures	170 (One Hundred Seventy) Debentures
<b>Tenure</b>	5 Years
<b>Put &amp; Call Option</b>	None
<b>Coupon Rate</b>	12.75% p.a.
<b>Interest Payment</b>	Annually on 1 <sup>st</sup> June every year & on Redemption
<b>Redemption</b>	<b>Each NCD shall have 4 series of Separately Transferable Redeemable Principal Parts (STRPPs) redeemable At par in ratio of 20 : 30 : 20 : 30 redeemable at the end of 42<sup>nd</sup>, 48<sup>th</sup>, 54<sup>th</sup>, 60<sup>th</sup> months respectively from the deemed date of allotment.</b> i.e. 20% on December 1, 2014 30% on June 1, 2015 20% on December 1, 2015 30% on June 1, 2016
<b>Interest on application money</b>	At the respective coupon rate (subject to deduction of tax of source, as applicable) from the date of realization of cheque(s) / demand draft(s) upto one day prior to the deemed date of allotment.
<b>Security</b>	Parri-passu 1 <sup>st</sup> charge on fixed assets of the company having minimum asset cover of 1.25times to be maintained during the tenor of the NCDs.
<b>Listing</b>	On the WDM Segment of Bombay Stock Exchange (BSE)
<b>Trustees</b>	Unit Trust Of India Investment Advisory Services Limited
<b>Issue Opens on</b>	May 28, 2011
<b>Issue Closes on</b>	May 31, 2011
<b>Deemed Date of Allotment</b>	June 1, 2011

## VI. DETAILS OF UTILISATION OF PROCEEDS OBJECTS OF THE ISSUE

The current issue proceeds will be utilized for augmenting Medium to Long Term Resources of the Company including regular capital expenditure, not constituting a project, in its normal course of business.

No part of the proceeds of the NCDs would be utilized by the issuer directly/indirectly towards Capital markets and Real Estate purposes.

Hence the subscription to the current NCD issue would not be considered /treated as a capital market exposure. The expenses of the present issue would also be met from the Proceeds of the Issue. The Main Object Clause of the Memorandum of Association of the Company enables it to undertake the activities for which the funds are being raised through the present issue and also the activities, which the Company has been carrying on till date. The Proceeds of this Issue after meeting all expenses of the Issue will be used by the Company for meeting issue objects.





## VII. MATERIAL CONTRACTS INVOLVING FINANCIAL OBLIGATION OF THE COMPANY

### A. MATERIAL CONTRACTS

- a) Letter appointing Registrar and Transfer Agents and copy of MoU entered into between the Company and the Registrar.
- b) Copy of letter from **Unit Trust Of India Investment Advisory Services Limited** to the Company dated 24<sup>th</sup> January, 2011 giving consent to act as a Trustee to the Debenture holders of this issue.

### B. DOCUMENTS

- Memorandum & Articles of Association
- Credit Rating Letter dated 11<sup>th</sup> April, 2011 from CARE & Consent from **Unit Trust Of India Investment Advisory Services Limited** to act as Trustee vide their Letter dated 24<sup>th</sup> January, 2011
- Consent of **Karvy Computershare Pvt Ltd** to act as Registrar and Transfer Agent.
- Annual reports for the last 5 year starting from the FY 2005-06.
- Certified true copies of Board Resolution dated 21<sup>st</sup> November 2009 approving the proposed private placement of debentures u/s sec 292 1(a) of the Companies Act, 1956.
- AGM Resolution providing for the overall borrowing of the company u/s sec 293 1(d) dated 8<sup>th</sup> August 2009 of the Companies Act, 1956.

The above material documents and contracts are available for inspection between 10.00 a.m. and 1.00 p.m. on all working days at the Corporate office of the Company as mentioned below:

#### Corporate Office:

Essen House,  
5/12, B.I.D.C. Gorwa,  
Vadodara - 390016





### VIII. DETAILS OF BORROWINGS IN THE PAST

#### Statement of Secured Term Loans & Non Convertible Debentures as on March 31, 2011

(Rs. in Crores)

Sr. No.	Description of loan	Sanctioned Limit	O/S Balance as on 31.03.11	Repayment Schedule							Security
				2011 -12	2012 -13	2013 -14	2014 -15	2015 -16	2016 -17	2017 -18	
1.	ICICI Bank	150.00	150.00				50.00	50.00	50.00		The loan is secured by the first pari passu charge on the fixed assets of the Company, both present and future and Second pari passu charge on the entire current Assets of the company, both present and future.
2.	Non Convertible debentures	68.00	68.00				19.00	28.00	9.00	12.00	NCD is secured by the first pari passu charge on the fixed assets of the Company with minimum assets cover of 1.25 times to be maintained during the tenor of the NCD.
	<b>Total</b>	<b>218.00</b>	<b>218.00</b>				<b>69.00</b>	<b>78.00</b>	<b>59.00</b>	<b>12.00</b>	





### Non Convertible Debentures

#### Secured Non-Convertible Debentures as on March 31, 2011

(Rs. in crores)

Sr. No.	Date of Allotment	No of Debentures	Rate of Interest	Amount	Date of Redemption
1	21-Mar-11	90	12.25 %	9.00	21-Mar-16
2	21-Mar-11	90	12.25 %	9.00	21-Mar-17
3	21-Mar-11	120	12.25 %	12.00	21-Mar-18
4	29-Mar-11	16	12.35 %	1.60	29-Sep-14
5	29-Mar-11	24	12.35 %	2.40	29-Mar-15
6	29-Mar-11	16	12.35 %	1.60	29-Sep-15
7	29-Mar-11	24	12.35 %	2.40	29-Mar-16
8	30-Mar-11	40	12.00 %	4.00	30-Sep-14
9	30-Mar-11	60	12.00 %	6.00	30-Mar-15
10	30-Mar-11	40	12.00 %	4.00	30-Sep-15
11	30-Mar-11	60	12.00 %	6.00	30-Mar-16
12	30-Mar-11	20	12.25 %	2.00	30-Sep-14
13	30-Mar-11	30	12.25 %	3.00	30-Mar-15
14	30-Mar-11	20	12.25 %	2.00	30-Sep-15
15	30-Mar-11	30	12.25 %	3.00	30-Mar-16
	Total	680		68.00	





## IX. MATERIAL DEVELOPMENT

- **July 2010 QIP Issue :**  
The Company has allotted 55,93,727 equity shares of face value of Rs .10 each issued at a price of Rs.203.80 per equity share aggregating to Rs. 114 crores in terms of chapter VIII of SEBI (issue of Capital & Disclosure Requirements) regulations 2009.
- **August 2010 Preferential Issue :**  
The Company has allotted 8,83,217 equity shares of face value of Rs .10 each issued at a price of Rs. 203.80 per equity share aggregating to Rs.18 crores pursuant to the provisions of section 81 (1A) and all other applicable provisions if any, of the companies Act 1956.
- **September 2010 Commencement of trial Production of Transmission Tower 48000 MT :**  
The Company has successfully completed the trial production of Transmission Tower of 48000 MT at the company's new facility located at Vadodara.
- **October 2010 Joint Ventures :**  
Diamond Power enters into an agreement with Skoda (India) Pvt. Ltd. and Schaltech Automation Pvt. Ltd. for Executing Projects in Transmission & Distribution Segment up to 400 KV

## X. DEBT SECURITIES ISSUED FOR CONSIDERATION OTHER THAN CASH, AT PREMIUM OR AT DISCOUNT, IN PURSUANCE OF AN OPTION.

There were no debt securities issued for consideration other than cash or for premium or discount and the Debentures are being issued at face value and no discount shall be offered on the Debenture hence the Investor shall pay 100% of the Issue Price.






**XI. TOP 10 HOLDERS OF EACH CLASS AND KIND OF SECURITIES**

(June 30, 2011)

**Equity Share Holders**

Name of the holder	Address of the holder	No. of shares	% of holding
Diamond Tele Cabs Pvt Ltd	6, green Park, Nizampura, Vadodara, Gujarat-390002	3,501,746	9.41
Clearwater Capital Partners Cyprus Ltd	201, 2nd Floor, Central Plaza, 166, C.S.T. Road, Kalina Mumbai 400 098	3,248,161	8.73
Diamond Tele Cabs Pvt Ltd	6, Green Park, Nizampura, Vadodara, Gujarat-390002	2,666,667	7.17
Enterprises Intelligent Systems Ltd	5/12 Essen House, BIDC, Gorwa, Vadodara	2,469,005	6.64
Kotak Mahindra Trusteeship Services Ltd A/c	5 <sup>th</sup> , Floor, INGS Point Building, Plot No.8, Near University Campus, CST Road, Kalina Santacruz (East) Mumbai-400098	2,208,050	5.93
Diamond Projects Pvt Ltd	D-7, GIDC, Gorwa, Vadodara, Gujarat-390016.	2,206,848	5.93
Suresh N Bhatnagar	6, Green Park Nizampura, Vadodara Gujarat-390002	1,548,087	4.16
Elara Capital PLC A/C Clearwater Capital Partners Singapore Fund III Pvt Ltd	HSBC Securities Services, 2 <sup>nd</sup> Floor "SHIV" Plot No 139-140 B, Western Express Highway, Sahar Road Junction, Vile Parle ( East) Mumbai 400057	1,267,861	3.41
The Royal Bank of Scotland N.V. (London) Branch		1,167,246	3.14
Reliance Capital Trustee Co Ltd - Reliance Infrastructure Ltd	H Block, 1 <sup>st</sup> Floor, Dhirubhai Ambani Knowledge City, Kobar Khirane, Navi Mumbai – 400710	920,066	2.47




**Debenture Holders**
**(as on 31<sup>st</sup> March, 2011)**

Name of the NCD Holders	Amount (Rs. In Crores)	Address
L & T Finance Limited	30.00	The Metropolitan, 8 <sup>th</sup> Floor, C-26/27, E-Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051
CSEB Gratuity & Pension Fund	8.00	Office of GM Finance , Vidyut Sewa Bhawan, Ground Floor , Dangania, Raipur – 492 013
Syndicate Bank	10.00	FIM Department, Maker Tower “E”, 2 <sup>nd</sup> Floor, Cuffe Parade, Colaba, Mumbai-400005
Dena Bank Employee Gratuity Fund	5.00	Sharda Bhavan, 1 <sup>st</sup> Floor, Nr: Mithabi College, V.M.Road, JVPD, Vile Parel (W), Mumbai-400056
Dena Bank Employee Pension Fund	5.00	Sharda Bhavan, 1 <sup>st</sup> Floor, Nr: Mithabi College, V.M.Road, JVPD, Vile Parel (W), Mumbai-400056
Corporation Bank	10.00	IIBD 1 <sup>st</sup> Floor, 15 Mittal Chambers, Nariman Point, Mumbai - 400021





## XII. UNDERTAKING TO USE A COMMON FORM OF TRANSFER

The normal procedure for transfer of securities held in dematerialized form shall be followed for transfer of these debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant. The Issuer undertakes that there will be a common transfer form / procedure for transfer of Debentures.

## XIII. REDEMPTION AMOUNT, PERIOD OF MATURITY, YEILD ON REDEMPTION

<b>Tenor</b>	5 years
<b>Coupon Rate</b>	12.75% p.a.
<b>Redemption Date</b>	<p><b>Each NCD shall have 4 series of Separately Transferable Redeemable Principal Parts (STRPPs) redeemable At par in ratio of 20 : 30 : 20 : 30 redeemable at the end of 42<sup>nd</sup>, 48<sup>th</sup>, 54<sup>th</sup>, 60<sup>th</sup> months respectively from the deemed date of allotment.</b></p> <p>i.e. 20% on December 1, 2014  30% on June 1, 2015  20% on December 1, 2015  30% on June 1, 2016</p>
<b>Minimum Subscription</b>	Not Applicable
<b>Depository</b>	NSDL/CDSL
<b>Security</b>	Parri-passu 1 <sup>st</sup> charge on fixed assets of the company having minimum asset cover 1.25 times to be maintained during the tenor of the NCDs.
<b>Settlement</b>	Payment of interest and principal will be made by way of Cheque(s)/interest warrant (s)/demand draft(s)/ RTGS.





## XIV. TERMS OF OFFER

<b>Issuer</b>	<b>Diamond Power Infrastructure Limited</b>
<b>Issue Size</b>	<b>Rs.17 crores</b>
<b>Minimum Subscription</b>	1 Debenture of Rs 10,00,000 each and multiple of 1 thereafter.
<b>Instrument</b>	<b>Secured Redeemable Non-Convertible Debentures ('NCD'/'Debentures') in form of Separately Transferable Redeemable Principal Parts (STRPPs) series XX, XXI, XXII &amp; XXIII.</b>
<b>Issuance Form</b>	In Dematerialized Form
<b>Credit Rating</b>	"A" by CARE
<b>Security</b>	Parri-passu 1 <sup>st</sup> charge on fixed assets of the company having minimum asset cover of 1.25 times to be maintained during the tenor of the NCDs.
<b>Face Value / Issue Price/ Redemption Price</b>	Debentures shall have of Rs. 10,00,000/- each comprising of 10 Detachable and Separately Transferable Redeemable Principal Parts ("STRPPs") of face value of Rs.1,00,000/- each (Debentures/ STRPPs shall be issued as well as redeemed at par)
<b>Minimum Application</b>	1 Debenture and in multiples of 1 Debenture thereafter.
<b>Tenure</b>	5 years
<b>Put &amp; Call Option</b>	None
<b>Redemption/ Maturity</b>	<b>Each NCD shall have 4 series of Separately Transferable Redeemable Principal Parts (STRPPs) redeemable At par in ratio of 20 : 30 : 20 : 30 redeemable at the end of 42<sup>nd</sup>, 48<sup>th</sup>, 54<sup>th</sup>, 60<sup>th</sup> months respectively from the deemed date of allotment.</b> i.e. 20% on December 1, 2014 30% on June 1, 2015 20% on December 1, 2015 30% on June 1, 2016
<b>Coupon Rate</b>	12.75% p.a.
<b>Interest Payment</b>	Annually on 1 <sup>st</sup> June every year & on Redemption
<b>Listing</b>	On the Wholesale Debt Market (WDM) Segment on BSE
<b>Trustee</b>	Unit Trust Of India Investment Advisory Services Limited
<b>Depository</b>	NSDL/CDSL
<b>Interest on Application Money</b>	At the respective Coupon rate (subject to deduction of tax at source, as applicable.) from the date of realization of cheque (s)/ demand draft(s)/ RTGS upto one day prior to the Deemed Date of Allotment.
<b>Issue Opens on</b>	May 28, 2011
<b>Issue Closes on</b>	May 31, 2011
<b>Deemed Date of Allotment</b>	June 1, 2011

Private placement of Secured Redeemable Non-Convertible Debentures (NCDs/ Debentures) of Rs.10,00,000/- in form of Separately Transferable Redeemable Principal Parts (STRPPs) of face value of Rs. 1,00,000/- each for cash at par aggregating to Rs. 17 crores to be issued by Diamond Power Infrastructures Limited.





### **Governing Law & Provisions**

The Debentures offered are subject to provisions of the Companies Act, 1956, Securities Contract Regulation Act, 1956, terms of this Disclosure Document, Instructions contained in the Application Form and other terms and conditions as may be incorporated in the Trustee Agreement and the Trust Deed. Over and above such terms and conditions, the Debentures shall also be subject to the applicable provisions of the Depositories Act 1996 and the laws as applicable, guidelines, notifications and regulations relating to the allotment & issue of capital and listing of securities issued from time to time by the Government of India (GoI), Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI), concerned Stock Exchange or any other authorities and other documents that may be executed in respect of the Debentures. Any disputes arising out of this issue will be subject to the exclusive jurisdiction of the Court at Vadodara, Gujarat

The proceeds of this issue will be used by the corporation for its regular business purpose.

### **Authority for the Placement**

This private placement of Debentures is being made pursuant to the resolution of the Board of Directors passed at its meeting held on **29<sup>th</sup> October 2010**, which has approved the placement of Debentures aggregating upto Rs.100.00 Crores. The present issue of Rs.17 crores is within the overall limit approved by the Board of Directors as above. The present issue of Rs.17 crores is within the general borrowing limits in terms of the resolution passed under Section 293(1)(d) of the Companies Act, 1956, at the Annual General Meeting of the shareholders of the Company held on **8<sup>th</sup> August, 2009** giving their consent to the borrowing by the Directors of the Company from time to time not exceeding Rs.1000.00 crores (Rupees One thousand Crores) subject to any restrictions imposed by the terms of the agreement entered into from time to time for grant of loans to the Company of all monies deemed by them to be requisite or proper for the purpose of carrying on the business of the Company. The borrowings under these Debentures will be within the prescribed limits as aforesaid.

The Company can carry on its existing activities and future activities planned by it in view of the existing Approvals, and no further approvals from any Government authority are required by the Company to carry on its said activities.

### **Face Value, Issue Price, Effective Yield for Investor**

As each Debenture has a value of Rs. 10,00,000/- and is issued at par i.e. for Rs. 10,00,000/-. Each Debenture of Rs. 10.00 lacs shall comprise of 10 Detachable and Separately Transferable Redeemable Principal Parts ("STRPPs") of face value of Rs. 1,00,000/- each redeemable at par. Since there is no premium or discount on either issue price or on redemption value of the Debenture/ STRPPs, the effective yield for the investors held to maturity shall be the same as the coupon rate on the Debentures/ STRPPs.

### **Minimum Subscription**

As the current issue of Debentures is being made on private placement basis, the requirement of minimum subscription shall not be applicable and therefore the Company shall not be liable to refund the issue subscription(s)/ proceed(s) in the event of the total issue collection falling short of issue size or certain percentage of issue size.

### **Deemed Date of Allotment**

Interest on Debentures shall accrue to the Debentureholder(s) from and including June 1, 2011 which shall be the Deemed Date of Allotment. All benefits relating to the Debentures will be available to the investors from the Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment. The Company reserves the right to keep multiple allotment date(s)/ deemed date(s) of allotment at its sole and absolute discretion without any prior notice. In case if the issue closing date is changed (pre-poned/ postponed), the Deemed Date of Allotment may also be changed (pre-poned/ postponed) by the Company at its sole and absolute discretion.





### **Credit Rating**

The NCDs are rated 'A' By CARE (pronounced as Single 'A') by Credit Analysis & Research Ltd vide their letter dated 11<sup>th</sup> April, 2011. Instruments with this rating are considered to offer adequate safety for timely servicing of debt obligations. Such instruments carry low credit risk.

Please note that the rating is not a recommendation to buy, sell or hold securities and investors should take their own decision. The rating may be subject to revision or withdrawal at any time by the assigning rating agency and each rating should be evaluated independently of any other rating. The rating obtained is subject to revision at any point of time in the future. The rating agencies have a right to suspend, withdraw the rating at any time on the basis of new information etc.

### **Underwriting**

The present Issue of Debentures on private placement basis has not been underwritten.

### **Listing**

Listing is on the Wholesale Debt Market segment of BSE (Bombay Stock Exchange).

### **Security**

The Debentures, shall be secured by Parri-passu 1<sup>st</sup> charge on fixed assets of the company having minimum asset cover of 1.25 times to be maintained during the tenor of the NCDs. Subject to compliance to the Companies Act, 1956, the issuer would endeavour to create the said security in favour of the Trustees within 3 months from the deemed date of allotment of the Debentures but in any case, not exceeding 6 months from the deemed date of allotment.

In case of delay in execution of Trust Deed and Charge documents beyond the period of 6 months as mentioned above, the company will refund the subscription with agreed rate of interest or will pay penal interest of 2 % p.a. over the coupon rate till these conditions are complied with, at the option of the investor.

The actual form, mode & method of security creation including the trust deed shall be decided in mutual consultation with the Trustees. The Company shall at all times in consultation of the trustees maintain a minimum security cover as mentioned hereinabove of the value of all the outstanding Debentures proposed to be issued by the company on the security as mentioned hereinabove to be charged for the purpose of this Debenture issue.

The Security will be created by the Company as aforesaid in favour of the Trustees on such of the assets for which the Company obtains, the requisite consents and permissions applicable under law or in accordance with conditions of holding of such assets for creating the above mentioned charge or on which there are no other restrictions applicable under law on creating a charge over such assets. The creation of such security shall be sufficient compliance of the Company's obligation to create security.

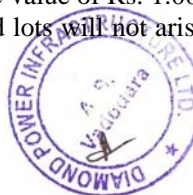
The trustee shall provide consent to create pari-passu charge in future.

### **Record Date**

The 'Record Date' for the Debentures shall be 3 days prior to each interest payment and/ or principal repayment date (in case of exercise of call option).

### **Market Lot**

The market lot shall be one STRPPs/Debentures Series of face value of Rs. 1.00 Lac each ("Market Lot"). Since the STRPPs are being issued only in dematerialised form, the odd lots will not arise either at the time of issuance or at the time of transfer of STRPPs.





### **Interest on Application Money**

Interest at the respective coupon rates (subject to deduction of income tax under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactments thereof, as applicable) will be paid to all the applicants on the application money for the Debentures. Such interest shall be paid from the date of realisation of cheque(s)/ demand draft(s)/ RTGS upto one day prior to the Deemed Date of Allotment. The interest on application money will be computed on an Actual by actual. Such interest would be paid on all the valid applications. Where the entire subscription amount has been refunded, the interest on application money will be paid along with the Refund Orders. Where an applicant is allotted lesser number of debentures than applied for, the excess amount paid on application will be refunded to the applicant along with the interest on refunded money. The interest cheque(s)/ demand draft(s) for interest on application money (along with Refund Orders, in case of refund of application money, if any) shall be dispatched by the Company within 15 days from the Deemed Date of Allotment by registered post to the sole/ first applicant, at the sole risk of the applicant.

### **Interest on NCDs /STRPPs**

The Debentures/STRPPs shall carry interest at the rate of as per term sheet (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof for which a certificate will be issued by the Company) payable to the holders of Debentures (the "Holders" and each, a "Holder") as of the relevant Record Date. The interest payable on any Interest Payment Date will be paid to the Bondholder(s) whose names appear in the List of Beneficial Owners given by the Depository to the Company as on the Record Date.

The Interest payment would be made on 1<sup>st</sup> June of every year & on redemption.

The first interest period is defined as the actual number of days falling between the Deemed Date of Allotment (i.e. 1<sup>st</sup> June 2011 to May 31, 2012) including both the first date and the last date. The first interest payment would be made on June 1, 2012.

The second and subsequent interest period (except the last interest period) is defined as the actual by Actual days in a year between June 1, 2012 and May 31, 2013 including both the days and so on.

The last interest period is defined as the actual number of days falling between the Second last interest payment date and redemption date including the first date and one day prior to the last date. The last interest payment would be made on the redemption date along with the redemption of principal amount.

If any interest payment date falls on a day which is not a Business Day ('Business Day' being a day on which Commercial Banks are open for Business in the city of Vadodara, Gujarat) then payment of interest will be made on the next day that is a business day but without liability for making payment of interest for the intervening period.

In case the Deemed Date of Allotment is revised (pre-poned/ postponed) then the above Interest Payment Date may also be revised (pre-poned/ postponed) accordingly by the Company at its sole & absolute discretion.

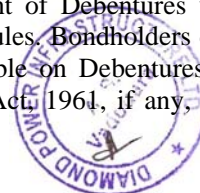
### **Computation of Interest**

Interest for each of the interest periods shall be calculated, on 'actual/ actual days' basis, on the face value of principal outstanding on the Debentures at the coupon rate rounded off to the nearest Rupee.

### **Tax Deduction at Source**

Tax as applicable under the provisions of Income Tax Act, 1961, or any other applicable statutory modification or re-enactments thereof will be deducted at source at the time of payment of interest/principal amount. The investor(s) desirous of claiming exemption from deduction of income tax at source on the interest on application money are required to submit the necessary certificate(s) as applicable thereof, in duplicate, along with the Application Form in terms of Income Tax rules.

Interest payable subsequent to the Deemed Date of Allotment of Debentures will be treated as "Interest on Securities" in accordance with the provisions of Income Tax Rules. Bondholders desirous of claiming exemption from deduction of income tax at source on the interest payable on Debentures should submit tax exemption certificate/ document, as per Section 193 of the Income Tax Act, 1961, if any, at the Registered Office of the Company, at least 45 days before the due date of payment.







Regarding deduction of tax at source and the requisite declaration forms to be submitted, prospective investors are advised to consult their own tax consultant(s).

Failure to comply with the above shall entitle the Company to deduct tax at source as may be advised to it.

### **Debentures in Dematerialized Form**

The Company has finalized Depository Arrangements with National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) for dematerialization of the Debentures. The investor has to necessarily hold the Debentures in dematerialized form and deal with the same as per the provisions of Depositories Act, 1996 (as amended from time to time). The normal procedures followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

Applicants to mention their Depository Participant's name, DP-ID and Beneficiary Account Number/Client ID in the appropriate place in the Application Form. In case the depository arrangement is finalised before the completion of all legal formalities for issue of Debenture Certificates, Debentures to successful allottee(s) having Depository Account shall be credited to their Depository Account against surrender of Letter of Allotment.

Interest or other benefits with respect to the Debentures would be paid to those Debenture holders whose names appear on the list of beneficial owners given by the Depositories to the Issuer as on a record date/book closure date. The Issuer would keep in abeyance the payment of interest or other benefits, till such time that the beneficial owner is identified by the Depository and informed to the Issuer where upon the interest/benefits will be paid to the beneficiaries within a period of 30 days.

### **Transfer of Debentures**

Debentures /STRPPs shall be transferred subject to and in accordance with the rules/ procedures as prescribed by the NSDL /CDSL Depository Participant of the transferor/ transferee and any other applicable laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant.

Transfer of Debentures to and from NRIs/ OCBs, in case they seek to hold the Debentures and are eligible to do so, will be governed by the then prevailing guidelines of RBI. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/ redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the company.

### **Payment of Redemption**

Each Debenture of Rs. 10.00 lacs shall comprise of 10 Detachable and Separately Transferable Redeemable Principal Parts ("STRPPs") of face value of Rs. 1,00,000/- each redeemable at par at the end of their respective maturity as specified in the term sheet.

The Debentures will not carry any obligation, for interest or otherwise, after the date of redemption. The Debentures held in the dematerialized form shall be taken as discharged on payment of the redemption amount by the Company on maturity to the registered Bondholders whose name appear in the Register of Bondholders on the Record Date. Such payment will be a legal discharge of the liability of the Company towards the Bondholders. On such payment being made, the Company will inform NSDL and accordingly the account of the Bondholders with NSDL will be adjusted.

In case if the principal redemption date falls on a day which is not a Business Day ('Business Day' being a day on which Commercial Banks are open for business in Vadodara ), then the payment due shall be made on the next Business Day together with additional interest for the intervening period.





### **Right to Reissue Debenture(s)**

The Company will have the power, as provided for under the Companies Act, 1956, exercisable at its absolute discretion from time to time to repurchase some or all the Debenture at any time prior to the specified date of maturity as per the prevailing guidelines/regulations of Reserve Bank of India and other Authorities. This right does not construe a call option. In the event of the Debenture being bought back, or redeemed before maturity in any circumstance whatsoever, the Company shall be deemed to always have the right, subject to the provisions of Section 121 of the Companies Act, 1956 to re-issue such Non-convertible debenture either by re-issuing the same Debenture or by issuing other Non-convertible debenture in their place.

The Company may also, at its discretion and as per the prevailing guidelines/regulations of Reserve Bank of India and other Authorities at any time purchase Non Convertible Debenture at discount, at par or at premium in the open market. Such Non Convertible Debenture may, at the option of Company, be cancelled, held or resold at such price and on such terms and conditions as the Company may deem fit and as permitted by Law.

### **Future Borrowings**

The Company will be entitled to borrow/raise loans or avail of financial assistance in whatever form including issue of Debentures/ other securities in any manner having such ranking in priority, *pari passu* or otherwise and change the capital structure including the issue of shares of any class, on such terms and conditions as the Company may think appropriate, without having any need to obtain the consent of, or intimation to, the Debenture holders or the Trustees in this connection.

### **Letter/s of allotment/refund order(s) and interest in case of delay in dispatch**

The beneficiary account of the investor(s) with National Securities Depository Ltd. (NSDL)/ Central Depository Services Ltd (CDSL) Depository Participant will be given initial credit within two working days from the Deemed Date of Allotment. The initial credit in the account will be akin to the Letter of Allotment. On completion of the all statutory formalities, such credit in the account will be akin to a Debenture Certificate.

The issuer further agrees to pay interest as per the applicable provisions of the Companies Act, 1956, if the allotment letters/refund orders have not been dispatched to the applicants within 30 days from the date of the closure of the issue.

### **Right to Accept or Reject Applications**

The Company reserves its full, unqualified and absolute right to accept or reject any application, in part or in full, without assigning any reason thereof. The applicants will be intimated about such rejection along with the refund warrant, together with interest on application money, if applicable, from the date of realization of the cheque(s)/ demand drafts(s) till one day prior to the date of refund. The application forms that are not complete in all respects are liable to be rejected and such applicant would not be paid any interest on the application money. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

- a. Number of debentures applied for is less than the minimum application size;
- b. Applications exceeding the issue size;
- c. Bank account details not given;
- d. Details for issue of debentures in electronic/ dematerialised form not given; PAN not mentioned in appropriate place.
- e. In case of applications under Power of Attorney by limited companies, corporate bodies, trusts, etc. relevant documents not submitted;

In the event, if any Bond(s) applied for is/ are not allotted in full, the excess application money of such Debentures will be refunded, as may be permitted.





### **Who Can Apply**

The following categories of investors may apply for the Debentures, subject to fulfilling their respective investment norms/ rules by submitting all the relevant documents alongwith the application form.

1. Scheduled Commercial Banks;
2. Financial Institutions;
3. Insurance Companies;
4. Primary/ State/ District/ Central Co-operative Banks (subject to permission from RBI);
5. Regional Rural Banks;
6. Mutual Funds;
7. Companies, Bodies Corporate authorized to invest in Debentures;
8. Provident Funds , Gratuity, Superannuation & Pension Funds, subject to their Investment guidelines
9. Trusts

### **Application not to be made by**

1. Hindu Undivided Family (neither by the name of the Karta);
2. Partnership Firms or their nominees;
3. Overseas Corporate Bodies (OCBs);
4. Foreign Institutional Investors (FIIs);
5. Non Resident Indians(NRIs)

Although above investors are eligible to apply however only those investors, who are individually addressed through direct communication by the Company / Sole Arranger, are eligible to apply for the Debentures. No other person may apply. Hosting of Disclosure Document on the website of the BSE should not be construed as an offer to issue and the same has been hosted only as it is stipulated by SEBI. Investors should check about their eligibility before making any investment.

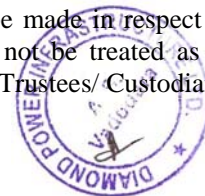
The applications must be accompanied by certified true copies of (1) Memorandum and Articles of Association/ Constitution/ Bye-laws (2) Resolution authorising investment and containing operating instructions (3) Specimen signatures of authorised signatories and (4) Xerox copy of PAN Card. (5) Necessary forms for claiming exemption from deduction of tax at source on the interest income/ interest on application money, wherever applicable.

### **Applications under Power of Attorney**

In case of applications made under a Power of Attorney or by a Limited Company or a Body Corporate or Registered Society or Mutual Fund, and scientific and/or industrial research organisations or Trusts etc, the relevant Power of Attorney or the relevant resolution or authority to make the application, as the case may be, together with the certified true copy thereof along with the certified copy of the Memorandum and Articles of Association and/or Bye-Laws as the case may be must be attached to the Application Form or lodged for scrutiny separately with the photocopy of the Application Form, quoting the serial number of the Application Form at the Company's branch where the application has been submitted, or at the office of the Registrars to the Issue after submission of the Application Form to the bankers to the issue or any of the designated branches as mentioned on the reverse of the Application Form, failing which the applications are liable to be rejected. Such authority received by the Registrars to the Issue more than 10 days after closure of the subscription list may not be considered

### **Application by Mutual Funds**

In case of applications by Mutual Funds, a separate application must be made in respect of each scheme of an Indian Mutual Fund registered with SEBI and such applications will not be treated as multiple applications, provided that the application made by the Asset Management Company/ Trustees/ Custodian clearly indicate their intention as to the scheme for which the application has been made.





### **PAN/GIR Number**

All Applicants should mention their Permanent Account Number or the GIR Number allotted under Income Tax Act, 1961 and the Income Tax Circle / Ward / District. In case where neither the PAN nor the GIR Number has been allotted, the fact of such a non-allotment should be mentioned in the Application Form in the space provided.

### **Signatures**

Signatures should be made in English or in any of the Indian Languages. Thumb impressions must be attested by an authorized official of a Bank or by a Magistrate/Notary Public under his/her official seal.

### **Nomination Facility**

As per Section 109 A of the Companies Act, 1956, only individuals applying as sole applicant/Joint Applicant can nominate, in the prescribed manner, a person to whom his Debentures shall vest in the event of his death. Non-individuals including holders of Power of Attorney cannot nominate.

### **Disputes and Governing Law**

The Debentures shall be construed to be governed in accordance with Indian Law. The competent courts at VAdodara alone shall have jurisdiction in connection with any matter arising out of or under these precincts.

Over and above the aforesaid Terms and Conditions, the said Debentures shall be subject to the Terms and Conditions to be incorporated in the Debentures to be issued to the allottees and the Debenture Trust Deed/Trustee Agreement.

### **Trading of Debentures/ STRPPs**

The trading of privately placed Debt securities would be permitted in the anonymous, order driven system of the Stock Exchange in a separate trading segment. The marketable lot would be one STRPP of face value of Rs. 1,00,000/- . All class of investors would be permitted to trade subject to the standard denomination/marketable lot. The trades executed on spot basis shall be required to be reported to the Stock Exchange.

### **List of Beneficial Owners**

The Company shall request the Depository to provide a list of Beneficial Owners as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be.

### **Succession**

In the event of demise of the sole/first holder of the Bond(s) or the last survivor, in case of joint holders for the time being, the Company will recognize the executor or administrator of the deceased Bondholder, or the holder of succession certificate or other legal representative as having title to the Bond(s). The Company shall not be bound to recognize such executor or administrator, unless such executor or administrator obtains probate, letter of administration wherever it is necessary, or such holder is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter. The Company may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Bond(s) standing in the name of the deceased Bondholder on production of sufficient documentary proof or indemnity.

Where a non-resident Indian becomes entitled to the Bond by way of succession, the following steps have to be complied:

- a. Documentary evidence to be submitted to the Legacy Cell of the RBI to the effect that the Bond was acquired by the NRI as part of the legacy left by the deceased holder.
- b. Proof that the NRI is an Indian National or is of Indian origin.

**Such holding by the NRI will be on a non-repatriation basis.**





**Mode of Subscription/ How to Apply**

This being a Private Placement Offer, Investors who are established/ resident in India and who have been addressed through this communication directly, only are eligible to apply.

All Application Forms, duly completed, together with cheque/ demand draft for the amount payable on application must be delivered before the closing date of the issue to the Sole Arranger to the Issue.

Applications for the Debentures must be in the prescribed form (enclosed) and completed in BLOCK CAPITAL LETTERS in English and as per the instructions contained therein.

Applications complete in all respects (along with all necessary documents as detailed in this Disclosure Document) must be submitted before the last date indicated in the issue time table or such extended time as decided by the Bank, at any of the designated collection centres, accompanied by the subscription amount by way of cheque(s)/ demand draft(s) drawn on any bank including a co-operative bank which is situated at and is a member of the Bankers' clearing house located at a place where the application form is submitted.

Outstation cheque(s)/ Bank draft(s) drawn on Bank(s) not participating in the clearing process at the designated clearing centres will not be accepted. Money orders/ postal orders will also not be accepted. The Company assumes no responsibility for any applications/ cheques/ demand drafts lost in mail.

No separate receipt will be issued for the application money. However, the Company's designated collection branches or Arranger(s) receiving the duly completed Application Form will acknowledge receipt of the application by stamping and returning to the applicant the Acknowledgment Slip at the bottom of the each Application Form.

As a matter of precaution against possible fraudulent encashment of interest warrants/ cheques due to loss/ misplacement, the applicant should furnish the full particulars of his or her bank account (i.e. Account Number, name of the bank and branch) at the appropriate place in the Application Form. Interest warrants will then be made out in favour of the bank for credit to his/ her account so specified and dispatched to the investors, who may deposit the same in the said bank.

**Effect of Holidays**

Should any of the dates defined above or elsewhere in this Memorandum excepting the date of allotment, fall on a Saturday, Sunday or a Public Holiday, the next working day following shall be considered as the effective date(s).

**Notices**

The notices to the Debenture holder(s) required to be given by the Company or the Trustees shall be deemed to have been given if sent by registered post to the sole/first allottee or sole/first registered holder of the Debentures, as the case may be. All notices to be given by the Debenture holder(s) shall be sent by registered post or by hand delivery to Registrars or to such persons at such address as may be notified by the Company from time to time.

All transfer related documents, tax exemption certificates, intimation for loss of Letter of Allotment/Debenture(s), etc., requests for issue of duplicate debentures, interest warrants etc. and/or any other notices / correspondence by the Debenture holder(s) to the Company with regard to the issue should be sent by Registered Post or by hand delivery to the Registrar, or to such persons at such persons at such address as may be notified by the Company from time to time.

**Applications under Power of Attorney**

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signatures of all the authorized signatories and the tax exemption certificate/document, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Company at its registered office.







### **Disclosure Clause**

In the event of default in the repayment of the principal and/or interest thereon on the due dates, the investors and/or the Reserve Bank of India/SEBI will have an unqualified right to disclose or publish the name of the borrower and its directors as defaulter in such manner and through such medium as the Investors and/or the Reserve Bank of India in their absolute discretion may think fit. Over and above the aforesaid Terms and Conditions, the said Debentures shall be subject to the Terms and Conditions to be incorporated in the Debenture Trust Deed/Trustee Agreement.

### **Registrars**

**Karvy Computershare Pvt Ltd** is acting as Registrar and Transfer agents for the Company for debt instruments. Requests for registration of transfer, along with Debenture Certificates/Letters of Allotment and appropriate transfer documents should be sent to the Registrars. The transferee shall also furnish name, address and specimen signatures and wherever necessary, authority for purchase of Debentures. The Registrars after examining the adequacy and correctness of the documentation shall register the transfer in its books. However, as the NCDs are compulsory issued in demat mode, this may not be applicable.

### **Trustees**

The Company has appointed, Unit Trust Of India Investment Advisory Services Limited as Debenture Trustees registered with SEBI, for the holders of the Debentures (hereinafter referred to as 'Trustees'). The Company will enter into a Trustee Agreement/Trust Deed, inter-alia, specifying the powers, authorities and obligations of the Company and the Trustees in respect of the Debentures.

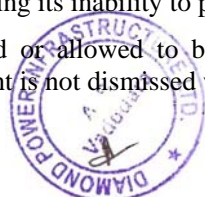
The Debenture holders shall, without any further act or deed, be deemed to have irrevocably given their consent to and authorized the Trustees or any of their Agents or authorized officials to do, inter alia, all such acts, deeds and things necessary in respect of or relating to the security to be created for securing the Debentures being offered in terms of this Memorandum of Private Placement. All rights and remedies under the Debenture Trust Deed and/or other security documents shall rest in and be exercised by the Trustees without having it referred to the Debenture holders. Any payment made by the Company to the Trustees on behalf of the Debenture holder(s) shall discharge the Company *pro tanto* to the Debenture holder(s).

The Trustees will protect the interest of the Debenture holders in the event of default by the Company in regard to timely payment of interest and repayment of principal and they will take necessary action at the cost of the Company. The major events of default which happen and continue without being remedied for a period of 30 days after the dates on which the monies specified in (i) and (ii) below become due and will necessitate repayment before stated maturity are as follows:

- (i) Default in payment of monies due in respect of interest/principal owing upon the Debentures;
- (ii) Default in payment of any other monies including costs, charges and expenses incurred by the Trustees.

### **Other events of default are:**

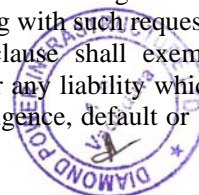
- a. Default is committed in the performance or observance of any covenant, condition or provision contained in these presents and/or the financial Covenants and Conditions (other than the obligation to pay principal and interest) and, except where the Trustees certify that such default is in their opinion incapable of remedy (in which case no notice shall be required), such default continues for 30 days after written notice has been given thereof by the Trustees to the Company requiring the same to be remedied.
- b. Any information given by the company in its applications to the Debenture holders, in the reports and other information furnished by the Company and the warranties given/deemed to have been given by it to the Debenture holders/trustees is misleading or incorrect in any material respect.
- c. The Company is unable to or has admitted in writing its inability to pay its debt as they mature.
- d. A Receiver or a Liquidator has been appointed or allowed to be appointed of all or any part of the undertaking of the Company and such appointment is not dismissed within 60 days of appointment.
- e. The Company ceases to carry on its business.



**Rights, Powers and Discretion of the Trustees**

General Rights, Powers and Discretions - In addition to the other powers conferred on the Trustees and provisions for their protection and not by way of limitation or derogation neither of anything contained in this Agreement nor of any statute limiting the liability of the Trustees, it is expressly stated as follows:

1. The Trustees shall not be bound to give notice to any person of the execution hereof or to see to the performance or observance of any of the obligations hereby imposed on the Company or in any way to interfere with the conduct of the Company's business unless and until the rights under the Debentures shall have become enforceable and the Trustees shall have determined to enforce the same;
2. Save as herein otherwise expressly provided the Trustees shall, as regards all trusts, powers, authorities and discretions, have absolute and uncontrolled discretion as to the exercise thereof and to the mode and time of exercise thereof and in the absence of fraud shall not be responsible for any loss, costs, charges, expenses or inconvenience that may result from the exercise or non- exercise thereof and in particular they shall not be bound to act at the request or direction of the Debenture holders under any provisions of these presents unless sufficient monies shall have been provided or provision to the satisfaction of the Trustees made for providing the same and the Trustees are indemnified to their satisfaction against all further costs, charges, expenses and liability which may be incurred in complying with such request or direction;
3. With a view to facilitate any dealing under any provision of these presents the Trustees shall have full power to consent (where such consent is required) to a specified transaction or class of transactions conditionally;
4. The Trustees shall not be responsible for the monies paid by applicants for the Debentures;
5. The Trustees shall not be responsible for acting upon any resolution purporting to have been passed at any meeting of the Debenture holders in respect whereof minutes have been made and signed even though it may subsequently be found that there was some defect in the constitution of the meeting or the passing of the resolution or that for any reason the resolution was not valid or binding upon the Debenture holders;
6. The Trustees shall have full power to determine all questions and doubts arising in relation to any of the provisions hereof and every such determination bonafide made (whether or not the same shall relate wholly or partially to the acts or proceedings of the Trustees) shall be conclusive and binding upon all persons interested hereunder;
7. The Trustees shall not be liable for anything whatsoever except a breach of trust knowingly and intentionally committed by the Trustees;
8. The Trustees shall not be liable for any default, omission or delay in performing or exercising any of the powers or trusts herein expressed or contained or any of them or in enforcing the covenants herein contained or any of them or in giving notice to any person or persons of the execution hereof or in taking any other steps which may be necessary, expedient or desirable for any loss or injury which may be occasioned by reason thereof unless the Trustees shall have been previously requested by notice in writing to perform, exercise or do any of such steps as aforesaid by the holders representing not less than three-fourths of the nominal amount of the Debentures for the time being outstanding or by a Special Resolution duly passed at a meeting of the Debenture holders and the Trustees shall not be bound to perform, exercise or do any such acts, powers or things or to take any such steps unless and until sufficient monies shall have been provided or provision to the satisfaction of the Trustees made for providing the same by or on behalf of the Debenture holders or some of them in order to provide for any costs, charges and expenses which the Trustees may incur or may have to pay in connection with the same and the Trustees are indemnified to their satisfaction against all further costs, charges, expenses and liabilities which may be incurred in complying with such request.  
Provided Nevertheless that nothing contained in this clause shall exempt the Trustees from or indemnify them against any liability for breach of trust nor any liability which by virtue of any rule or law would otherwise attach to them in respect of any negligence, default or breach of trust which they may be guilty of in relation to their duties hereunder.







### **Rights of Debenture holders**

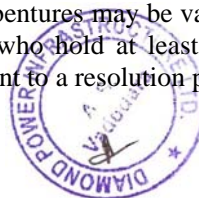
- a. The Debentures shall not, except as provided in the Act, confer upon the holders thereof any rights or privileges available to the members of the Company including the right to receive Notices or Annual Reports of, or to attend and/or vote, at the General Meeting of the Company. However, if any resolution affecting the rights attached to the Debentures is to be placed before the shareholders, the said resolution will first be placed before the concerned registered Debenture holders for their consideration. In terms of Section 219(2) of the Act, holders of Debentures shall be entitled to a copy of the Balance Sheet on a specific request made to the Company.
- b. The rights, privileges and conditions attached to the Debentures may be varied, modified and/or abrogated with the consent in writing of the holders of at least three-fourths of the outstanding amount of the Debentures or with the sanction of Special Resolution passed at a meeting of the concerned Debenture holders, provided that nothing in such consent or resolution shall be operative against the Company, where such consent or resolution modifies or varies the terms and conditions governing the Debentures, if the same are not acceptable to the Company .
- c. The registered Debenture holder or in case of joint-holders, the one whose name stands first in the Register of Debenture holders shall be entitled to vote in respect of such Debentures, either in person or by proxy, at any meeting of the concerned Debenture holders and every such holder shall be entitled to one vote on a show of hands and on a poll, his/her voting rights shall be in proportion to the outstanding nominal value of Debentures held by him/her on every resolution placed before such meeting of the Debenture holders. The quorum for such meetings shall be at least five Debenture holders present in person.
- d. The Debentures are subject to the provisions of the Companies Act, 1956, the Memorandum and Articles, the terms of this Prospectus and Application Form. Over and above such terms and conditions, the Debentures shall also be subject to other terms and conditions as may be incorporated in the Trustee Agreement/Letters of Allotment/Debenture Certificates, guidelines, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Debentures.
- e. Save as otherwise provided in this Prospectus, the provisions contained in Annexure C and/or Annexure D to the Companies (Central Government's) General Rules and Forms, 1956 as prevailing and to the extent applicable, will apply to any meeting of the Debenture holders, in relation to matters not otherwise provided for in terms of the Issue of the Debentures.
- f. A register of Debenture holders will be maintained in accordance with Section 152 of the Act and all interest and principal sums becoming due and payable in respect of the Debentures will be paid to the registered holder thereof for the time being or in the case of joint-holders, to the person whose name stands first in the Register of Debenture holders.
- g. The Debenture holders will be entitled to their Debentures free from equities and/or cross claims by the Company against the original or any intermediate holders thereof.
- h. Debentures can be rolled over only with the positive consent of the Debenture holders

### **Bondholder not a Shareholder**

The bondholders will not be entitled to any of the rights and privileges available to the shareholders. If, however, any resolution affecting the rights attached to the Debentures is placed before the members of the Bank, such resolution will first be placed before the bondholders for their consideration.

### **Modification of Rights**

The rights, privileges, terms and conditions attached to the Debentures may be varied, modified or abrogated with the consent, in writing, of those holders of the Debentures who hold at least three fourth of the outstanding amount of the Debentures or with the sanction accorded pursuant to a resolution passed at a meeting of the





Bondholders, provided that nothing in such consent or resolution shall be operative against the Company where such consent or resolution modifies or varies the terms and conditions of the Debentures, if the same are not acceptable to the Company.

### **Debenture Redemption Reserve (DRR)**

As per the circular no 6/3/2002-CL.V dated 18.04.2002 issued by Government of India with respect to creation of Debenture Redemption Reserves, for manufacturing and infrastructure companies, the adequacy of DRR is defined at 25% of the value of debenture issued through private placement route. In terms of extant provisions of the Companies Act, 1956 the company is required to create a Debenture Redemption Reserves out of profits, if any, earned by the company. The company shall create a Debenture Redemption Reserves ('DRR') and credit to the DRR such amounts as applicable under the provisions of Section 117 C of the Companies Act 1956 (as amended from time to time) or any other relevant statute (s), as applicable.

### **Undertaking by the Company**

The Issuer Company undertakes that:

- a) The complaints received in respect of the Issue shall be attended to by the Company expeditiously and satisfactorily;
- b) It shall take all steps for completion of formalities for listing and commencement of trading at the concerned stock exchange where securities are to be listed within specified time frame;
- c) Necessary co-operation to the credit rating agencies shall be extended in providing true and adequate information till the debt obligations in respect of the instrument are outstanding.
- d) It shall use a common form of transfer for the instrument.

## **XV. DISCOUNT ON THE OFFER PRICE**

The debentures are being issued at the face value and not at discount to offer price.

## **XVI. DEBT EQUITY RATIO**

(Rs. In Crs)

Particulars	Pre-Offer latest audited as on 31 <sup>st</sup> March, 2011	Post offer last audited as on 31 <sup>st</sup> March, 2011
<b>Secured Term Loan</b>	150.00	150.00
<b>Non Convertible Debentures</b>	68.00	68.00
<b>Unsecured Loan</b>	30.00	30.00
<b>Current issue</b>	--	17.00
<b>Total Debts</b>	<b>248.00</b>	<b>265.00</b>
<b>Shareholder Funds:</b>		
Equity Share Capital	37.21	37.21
Reserves	479.07	479.07
<b>Total Net worth</b>	<b>516.28</b>	<b>516.38</b>
<b>Debt / Equity Ratio</b>	<b>0.48</b>	<b>0.51</b>





## **XVII. SERVICING BEHAVIOUR OF THE EXISTING DEBTS**

The Company is discharging all its liabilities in time and would continue doing so in future as well. The Company has been paying regular interest and on redemption repaying the Bank.

## **XVIII. PERMISSION AND CONSENT FROM THE CREDITORS**

In the event any permission /consent are required to be obtained, the same shall be done prior to the creation of the security.

The Company would procure consents from its existing charge holders for creation of security for the Debentures on pari-passu basis. The trustee shall in future provide consent to create pari-passu charge subject to the issuer Company complying with the requisite terms of the Debentures issued.

## **XIX. NAME OF DEBENTURE TRUSTEE**

The Company has appointed **Unit Trust of India Investment Advisory Services Limited** a SEBI approved Trust Management Company as the agent and trustees for and on behalf of the Debenture holders. The address and contact details of the Trustees are as under:

**Unit Trust of India Investment Advisory Services Limited**  
Unit No. 2 Block B, 1<sup>st</sup> Floor, JVPD Scheme, Gulmohar Cross Road  
No.9, Andheri (West), Mumbai 400 049  
**Tel:** +91 22 2628 5289  
**Fax:** +91 22 2628 5239  
**Email:** [vivek.kumar@uti.co.in](mailto:vivek.kumar@uti.co.in)

## **XX. RATING RATIONALE ADOPTED BY RATING AGENCIES**

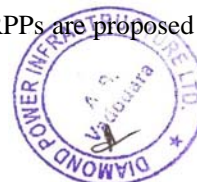
Credit Analysis and Research Ltd (“ CARE”) has assigned a ‘A’ (pronounced as Single A) rating for an amount of Rs.100 crores to the present Non Convertible Debentures issued by the Company vide its letter dated 11<sup>th</sup> April, 2011. Instruments with this rating are considered to offer high safety for timely servicing of debt obligations. Such instruments carry very low credit risk. A copy of rating letter from CARE is enclosed elsewhere in this Disclosure Document.

Other than the credit rating mentioned hereinabove, the company has not sought any other credit rating from any other credit rating agency (ies) for the Bonds offered for subscription under the terms of this Disclosure Document.

The above ratings are not a recommendation to buy, sell or hold securities and investors should take their own decision. The ratings may be subject to revision or withdrawal at any time by the assigning rating agencies and each rating should be evaluated independently of any other rating. The ratings obtained are subject to revision at any point of time in future. The rating agencies have the right to suspend, withdraw the rating at any time on the basis of new information etc.

## **XXI. LISTING OF DEBENTURES/STRPPs**

The Secured, Redeemable Non-Convertible Debentures in form STRPPs are proposed to be listed on the Whole Sale Debt Market Segment of the Bombay Stock Exchange (BSE).





## XXII. TERM SHEET

<b>Issuer</b>	<b>Diamond Power Infrastructure Limited</b>
<b>Issue Size</b>	<b>Rs.17 crores</b>
<b>Minimum Subscription</b>	1 Debenture of Rs 10,00,000 each and multiple of 1 thereafter.
<b>Instrument</b>	Secured Redeemable Non-Convertible Debentures (NCDs/ Debentures) in form of Separately Transferable Redeemable Principal Parts (STRPPs)
<b>Issuance Form</b>	In Dematerialized Form
<b>Credit Rating</b>	<b>CARE 'A'</b>
<b>Security</b>	Parri-passu 1 <sup>st</sup> charge on fixed assets of the company having minimum asset cover of 1.25 times to be maintained during the tenor of the NCDs.
<b>Face Value / Issue Price/ Redemption Price</b>	Debentures shall have of Rs. 10,00,000/- each comprising of 10 Detachable and Separately Transferable Redeemable Principal Parts ("STRPPs") of face value of Rs. 1,00,000/- each (Debentures/ STRPPs shall be issued as well as redeemed at par)
<b>Minimum Application</b>	1 Debenture and in multiples of 1 Debenture thereafter
<b>Tenure</b>	5 years
<b>Put &amp; Call Option</b>	None
<b>Redemption/ Maturity</b>	<b>Each NCD shall have 4 series of Separately Transferable Redeemable Principal Parts (STRPPs) redeemable At par in ratio of 20 : 30 : 20 : 30 redeemable at the end of 42<sup>nd</sup>, 48<sup>th</sup>, 54<sup>th</sup>, 60<sup>th</sup> months respectively from the deemed date of allotment.</b> i.e. 20% on December 1, 2014 30% on June 1, 2015 20% on December 1, 2015 30% on June 1, 2016
<b>Coupon Rate</b>	12.75% p.a.
<b>Interest Payment</b>	Annually on 1 <sup>st</sup> June every year & on Redemption
<b>Listing</b>	On the Wholesale Debt Market (WDM) Segment of the BSE.
<b>Trustee</b>	Unit Trust Of India Investment Advisory Services Limited
<b>Depository</b>	NSDL / CDSL
<b>Interest on Application Money</b>	At the respective coupon rate (subject to deduction of tax of source, as applicable) from the date of realization of cheque(s) / demand draft(s) upto one day prior to the deemed date of allotment.
<b>Issue Opens on</b>	May 28, 2011
<b>Issue Closes on</b>	May 31, 2011
<b>Deemed Date of Allotment</b>	June 1, 2011





**Undertaking by the Company**

The Issuer Company undertakes that:

- e) Undertaking regarding RBI Defaulters List

We undertake that none of the Directors / Promoters of the Company are appearing on RBI defaulters list.

- f) Default in Payment

In case of default in payment of Interest and/or principal redemption on the due dates, additional interest @ 2% p.a. over the coupon rate will be payable by the Company for the defaulting period

- g) Security

Time Limit for Creation of Security

Subject to compliance to the Companies Act, 1956, the issuer would endeavor to create the security as mentioned in the Security Clause on page no. 26 of this Draft Disclosure document in favour of the Trustees within the time limit laid down in the Companies Act, 1956 but not exceeding in any case, 6 months from the deemed date of allotment. In case of delay in execution of Trust Deed and Charge documents beyond the period of 6 months as above, the company will refund the subscription with agreed rate of interest or will pay penal interest of 2 % p.a. over the coupon rate till these conditions are complied with at the option of the investor

- h) It will be the issuer's responsibility to obtain consent of the prior charge-holders for creation of security within the stipulated period.
- i) The complaints received in respect of the Issue shall be attended to by the Company expeditiously and satisfactorily;
- j) It shall take all steps for completion of formalities for listing and commencement of trading at the concerned stock exchange where securities are to be listed within specified time frame;
- k) Necessary co-operation to the credit rating agencies shall be extended in providing true and adequate information till the debt obligations in respect of the instrument are outstanding.
- l) It shall use a common form of transfer for the instrument.





XXIII. ANNEXURES

A) Credit Rating Letter from CARE



Mr. Amit Bhatnagar  
Managing Director  
Diamond Power Infrastructure Limited  
Essen House, 5/12, BIDC,  
Gorwa, Vadodara-391520

CREDIT ANALYSIS &  
RESEARCH LTD.

32, Titanium, Prahaladnagar Corporate Road,  
Satellite, Ahmedabad - 380 015.  
Tele: +91-79-40265656, Fax: +91-79-40265657  
E-mail: care.ahmedabad@careratings.com  
Website: www.careratings.com

April 11, 2011

Confidential

Dear Sir,

Credit rating for proposed Non-Convertible Debenture issue of Rs.100 crore

Please refer to your request for revalidation of the rating assigned to your company's **Non-convertible Debenture (NCD)** issue.

2. Our Rating Committee has retained the '**CARE A**' [**Single A**] rating to the proposed NCD issue of Rs.100 crore of your company. Instruments with this rating are considered to offer adequate safety for timely servicing of debt obligations. Such instruments carry low credit risk. The issue details are placed at **Annexure I**.
3. The explanatory notes regarding the rating symbols of CARE for long term instruments are given in **Annexure II**.
4. In case, there is any change in the size or terms of the proposed issue, please get the rating revalidated.
5. Kindly arrange to forward to us in due course a copy each of the documents pertaining to the NCD issue, including the offer document and the trust deed.
6. Please arrange to get the rating revalidated, in case the NCD issue is not made within **six months** from the date of this letter.
7. A formal surveillance/review of rating is normally done on the expiry of one year from the date of initial rating/last review of the rating. However, CARE reserves the right to undertake a surveillance/review of the rating more than once a year (including any time before the expiry of one year from the date of initial rating) if in the opinion of CARE, circumstances warrant such surveillance/review.

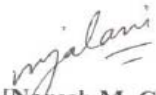







8. CARE reserves the right to suspend/withdraw/revise the rating assigned on the basis of new information or in the event of failure on the part of the Corporation to furnish such information, material or clarifications as may be required by CARE. CARE shall also be entitled to publicise/disseminate such suspension/ withdrawal/ revision in the assigned rating in any manner considered appropriate by it, without reference to you.
9. CARE ratings are not recommendations to buy, sell, or hold any security.
10. If you need any clarification, you are welcome to approach us.

Thanking you,  
Yours faithfully,

  
[Naresh M. Golani]  
Manager

  
[Deepak Prajapati]  
Asst. General Manager

Encl: As above

**Disclaimer**  
CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.







Annexure I

Issue Details

Issuer	Diamond Power Infrastructure Limited	
Instrument	Secured Redeemable Non-Convertible Debentures	
Series	NCD (Series I)	NCD (Series II)
Tenor	5 Years	7 Years
Amount	Rs.70 Crore	Rs.30 Crore
Put / Call Option	None	At the end of 5 <sup>th</sup> year from the deemed date of allotment
Redemption	At par in ratio of 20 : 30 : 20 : 30 redeemable at the end of 42nd, 48th, 54th, 60th months respectively from the deemed date of allotment.	At par in ratio of 30 : 30 : 40 redeemable at the end of 5th, 6th & 7th Year respectively from the deemed date of allotment.
Purpose	Augmenting medium to long-term resources of the company	
Mode of issue	Private Placement	
Trustee	To be appointed	

*my sh*





B) Consent Letter From Trustee

**UNIT TRUST OF INDIA INVESTMENT ADVISORY SERVICES LIMITED**

Unit No. 2, Block B, 1st Floor, JVPD Scheme, Gulmohar Cross Road No.9, Andheri (West), Mumbai - 400 049.  
Tel. : 91-22-2628 5289, 2628 2234, 2628 2265, 2628 2248, Fax : 91-22-2628 5239



UTIIAS/ 553 /DPIL/TS-134/2010-11

January 24, 2011

Diamond Power Infrastructure Ltd.  
VILL - Vadadala  
Ta - Savli , Dist. Vadodara  
Gujarat

Dear Sir,

**Sub : Consent to act as Debenture Trustee for Secured Redeemable Non-Convertible Debentures (NCDs) aggregating to Rs.100 Crores**

This is with reference to the appointment of Unit Trust of India Investment Advisory Services Limited as Debenture Trustee for the proposed issue of Secured Redeemable Non-Convertible Debentures aggregating to Rs.100 crores.

In this regard, we give consent to act as Debenture Trustee subject to the Company agreeing to the conditions set out in our letter dated January 21, 2011.

Looking forward to a fruitful association with you and assuring you of our best services at all times.

Yours faithfully,  
For Unit Trust of India  
Investment Advisory Services Limited

Meera Shetty  
Asst. Vice President





## XXIV. DECLARATION

It is hereby declared that this Disclosure Document contains full disclosures in accordance with Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 issued vide Circular No. LAD-NRO/GN/2008/13/127878 dated June 06, 2008.

The Issuer also confirms that this Disclosure Document does not omit disclosure of any material fact which may make the statements made therein, in light of the circumstances under which they are made, misleading. The Disclosure Document also does not contain any false or misleading statement.

The Issuer accepts no responsibility for the statement made otherwise than in the Disclosure Document or in any other material issued by or at the instance of the Issuer and that any one placing reliance on any other source of information would be doing so at his own risk.

Signed by **Mr. Amit Bhatnagar, Managing Director**, pursuant to the authority granted by the Board of Directors of the Company in their meeting held on 29<sup>th</sup> October, 2010.

**For Diamond Power Infrastructure Limited**


**Mr. Amit Bhatnagar**  
Managing Director

Date: 10<sup>th</sup> August, 2011  
Place: Vadodara