

Diamond Power Transformers Limited

Our Company was originally formed and registered as a partnership firm under the India Indian Partnership Act, 1932 under the name and style of "M/s Western Transformers", pursuant to a partnership deed. The name of the partnership firm was changed to "M/s Diamond Power Transformers" pursuant to Deed of Co-Partnery dated December 23, 2007. "M/s Diamond Power Transformers" was then converted into a public limited Company under part IX of the Companies Act, 1956 under the name of "Diamond Power Transformers Limited" and received a Certificate of Incorporation bearing Registration No. 052486 and Corporate Identity Number U31102GJ2007PLC052486 from the Registrar of Companies, Gujarat, Dadra & Nagar Haveli on December 28, 2007. For details of incorporation, change of name and registered office of our Company, please refer to chapter titled 'General Information' and 'Our History and Certain Other Corporate Matters' beginning on page 65 and 139 respectively of this Draft Prospectus.

Registered Office: 101/B/7, G.I.D.C Estate, Ranoli, Baroda, Gujarat- 390350, India.

Tel. No.: 0265-2240593/496; Fax No.: 0265-2240591
Contact Person: Komal Tiwari, Company Secretary and Compliance Officer
Email: cs@dicabstransformers.com; Website: www.dicabstransformers.com

PROMOTERS OF OUR COMPANY: Diamond Power Infrastructure Limited and Diamond Power Transmission Private Limited

THE OFFED

PUBLIC OFFER OF 59,34,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH ("EQUITY SHARES") OF DIAMOND POWER TRANSFORMERS LIMITED (THE "COMPANY") FOR CASH AT A PRICE OF RS. 20 PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF RS. 10 PER EQUITY SHARE (THE "OFFER PRICE"), AGGREGATING RS. 1,186.80 LAKHS ("THE OFFER"), OF WHICH 3,06,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. 20 PER EQUITY SHARE, AGGREGATING RS. 61.20 LAKHS WILL BE RESERVED FOR SUBSCRIPTIONS BY THE MARKET MAKER TO THE OFFER (THE "MARKET MAKER RESERVATION PORTION"). THE OFFER LESS MARKET MAKER RESERVATION PORTION I.E. OFFER OF 56,28,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. 20 PER EQUITY SHARE, AGGREGATING RS. 1,125.60 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER WILL CONSTITUTE 27.00% AND 25.61% RESPECTIVELY OF THE FULLY DILUTED POST OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH AND THE OFFER PRICE OF RS.20.00 IS 2.0 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Offer only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to the chapter titled "Offer Procedure" beginning on page 250 of this Draft Prospectus. A copy will be delivered for registration to the Registrar as required under Section 26 of the Companies Act, 2013.

THE OFFER IS BEING MADE IN ACCORDANCE WITH CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED FROM TIME TO TIME ("SEBI (ICDR) REGULATIONS"). For further details please refer the section titled 'Offer Related Information' beginning on page 242 of this Draft Prospectus. A copy will be delivered for registration to the Registrar of Companies as required under Section 26 of the Companies Act, 2013

RISKS IN RELATION TO FIRST OFFER

This being the first public offer of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is Rs.10 and the Offer price of Rs. 20 per Equity Share is 2.0 times of the face value. The Offer Price (as determined by our Company in consultation with the Lead Manager as stated in the chapter titled 'Basis for Offer Price' beginning on page 94 of this Draft Prospectus) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this offer. For taking an investment decision, investors must rely on their own examination of the Company and this offer, including the risks involved. The Equity Shares offered in the offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Prospectus. Specific attention of the investors is invited to the section titled 'Risk Factors' beginning on page 16 of this Draft Prospectus.

COMPANY'S & SELLING SHAREHOLDER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Prospectus contains all information with regard to our Company and this Offer, which is material in the context of this Offer, that the information contained in this Draft Prospectus is true and correct in all material aspects 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 or inclusion of which makes this Draft Prospectus as a whole or any of such information or the expression of any such opinions or intentions, misleading, in any material respect. Further, the Selling Shareholder accepts responsibility that this Draft Prospectus contains all information about it as Selling Shareholder in the context of the Offer and further assumes responsibility for statements in relation to it included in this Draft Prospectus.

LISTING

The Equity Shares of our Company offered through this Draft Prospectus are proposed to be listed on the SME platform of BSE Limited ('BSE'). In terms of the Chapter XB of the SEBI (ICDR) Regulations, as amended from time to time, we are not required to obtain an in-principle listing approval for the shares being offered in this offer. However, our Company has received an approval letter dated [●] from BSE for using its name in this offer document for listing of our shares on the SME Platform of BSE. For the purpose of this Offer, SME Platform of the BSE shall be the Designated Stock Exchange.

LEAD MANAGER TO THE OFFER REGISTRAR TO THE OFFER PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED KARVY COMPUTERSHARE PRIVATE LIMITED Karvy Selenium Tower B. 406-408, Keshava Premises Co-Op Soc. Ltd. Bandra Kurla Complex, Bandra East Plot 31-32, Gachibowli, Financial District, Mumbai 400 051, Maharashtra, India Nanakramguda Hyderahad-500 032 India Tel: +91 22 61946724 Toll Free No: 18003454001 **COMPUTERS NAME** Fax: +91-22 2659 8690 Tel: +91 40 6716 2222 ANTÓMATH Website: www.pantomathgroup.com Fax: +91 40 23431551 Email: ipo@pantomathgroup.com Email: diamondpower.ipo@karvy.com Website: www.karisma.karvy.com Investor Grievance Id: ipo@pantomathgroup.com Contact Person: Ms. Kirti Kanoria Contact Person: Mr. M Murali Krishna SEBI Registration No: INM000012110 SEBI Registration Number: INR000000221



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The Equity Shares have not been and will not be registered under the U.S Securities Act of 1933, as amended ("U.S. Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. Persons" (as defined in Regulation S), except pursuant to exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transaction in reliance on Regulation S under the U.S Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and application may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.



SECTION I – GENERAL

DEFINITION AND ABBREVIATION

In this Draft Prospectus, unless the context otherwise requires, the terms and abbreviations stated hereunder shall have the meanings as assigned therewith.

Company Related Terms

D 1.0			
Description			
Articles of Association of our Company, as amended from time to time			
The statutory auditor of our Company being M/s. R.A. Amin & Co.,			
Chartered Accountants			
UCO Bank Limited and Indian Overseas Bank Limited			
1 3			
time to time, or committee(s) thereof.			
The Company Secretary and Compliance Officer of our Company			
being Miss Komal Tiwari			
Diamond Power Transformers Limited (formerly a partnership firm			
under the Indian Partnership Act, 1932 known as M/s. Western			
Transformers and subsequently Diamond Power Transformers), a			
public limited Company incorporated under the provisions of Part IX			
of the Companies Act, 1956			
The Director(s) of our Company, unless otherwise specified			
Equity Shares of our Company of face value of Rs. 10 each fully paid			
up			
Persons/ entities holding equity shares of our Company			
Such entities as are included in the chapter titled 'Our Group Entities'			
beginning on page 160 of this Draft Prospectus			
The Memorandum of Association of our Company, as amended from			
time to time			
Independent Auditor having a valid Peer Review certificate in our			
case being M/s. Ramanand & Associates, Chartered Accountants			
Promoters of our company being M/s. Diamond Power Infrastructure			
Limited (formerly known as Diamond Cables Limited) ("DPIL") and			
M/s. Diamond Power Transmission Private Limited (formerly known			
as Madhuri Power Equipment Private Limited) ("DPTPL")			
Includes such persons and entities constituting our promoter group in			
terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations and a			
list of which is provided in the chapter titled "Our Promoter and			
Promoter Group" beginning on page 155 of this Draft Prospectus.			
The registered office of our Company situated at 101/B/7, G.I.D.C			
Estate, Ranoli, Baroda, Gujarat- 390350, India			
The Registrar of Companies, Gujarat, Dadra and Nagar Haveli located			
at ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop,			
Naranpura, Ahmedabad-380013			
Shareholders of our Company			



Offer Related Terms

Town	Description				
Term	Description The Allertine of Fruits Share of State of Fruits				
Allocation/ Allocation	The Allocation of Equity Shares of our Company pursuant to Offer of Equity				
of Equity Shares	Shares to the successful Applicants				
Allot/ Allotment/	Unless the context otherwise requires, the transfer of Equity Shares pursuant				
Allotted	to the Offer to successful Applicants.				
	Note or advice or intimation of Allotment sent to the Bidders/Applicants who				
Allotment Advice	have been or are to be allotted Equity Shares after the Basis of Allotment has				
	been approved by the Designated Stock Exchanges.				
Allottee	Successful Applicant(s) to whom Equity Shares of our Company have been				
Miotice	Allotted				
Applicant/ ASBA	Any prospective investor who makes an application for Equity Shares in terms				
Applicant	of the Prospectus.				
Amaliantian Amanut	The amount at which the Applicant makes an application for Equity Shares				
Application Amount	of our Company in terms of the Prospectus.				
	1. an SCSB, with whom the bank account to be blocked, is maintained				
	2. a syndicate member (or sub-syndicate member)				
	3. a stock broker registered with a recognised stock exchange (and whose				
	name is mentioned on the website of the stock exchange as eligible for				
Application Collecting	this activity) ('broker')				
Intermediaries	4. a depository participant ('DP') (whose name is mentioned on the website				
	of the stock exchange as eligible for this activity)				
	5. a registrar to an issue/offer and share transfer agent ('RTA') (whose name				
	is mentioned on the website of the stock exchange as eligible for this				
	activity)				
A 1: .: E	The form in terms of which the Applicant shall make an application to acquire				
Application Form	the Equity Shares of our Company by transfer from the Selling Shareholder.				
Application Supported	Applications Supported by Blocked Amount (ASBA) means an application				
by Blocked Amount/	for Subscribing to the Issue containing an authorization to block the				
ASBA	application money in a bank account maintained with SCSB.				
	Account maintained with SCSBs which will be blocked by such SCSBs to the				
ASBA Account	extent of the Application Amount.				
ASBA Application	Locations at which ASBA Applications can be uploaded by the SCSBs,				
Location(s)/ Specified	namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Bangalore,				
Cities	Hyderabad and Vadodara.				
	The banks which are clearing member and registered with SEBI as Bankers to				
Banker(s) to the Offer	an Offer with whom the Public Offer Account(s) will be opened and in this				
Bunker (s) to the offer	case being ICICI Bank Limited.				
	Agreement entered into on January 25, 2016 amongst our Company, Selling				
Banker(s) to the Offer	Shareholder, Lead Manager, the Registrar and the Banker to the Offer for				
Agreement	collection of the Application Amounts on the terms and condition thereof.				
	The basis on which the Equity Shares will be allotted to the successful				
Basis of Allotment	Applicants under the Offer and which is described under chapter titled "Offer				
Dubis of Amounch	Procedure" beginning on page 250 of this Draft Prospectus.				
	Broker centres notified by the Stock Exchanges, where the Applicants can				
	submit the Application Forms to a Registered Broker. The details of such				
	broker centres, along with the names and contact details of the Registered				
Broker Centres	Brokers, are available on the website of the BSE on the following link:-				
	http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expa				
	ndable=3				
Controlling Drongh					
Controlling Branch	Such branch of the SCSBs which coordinate Applications under this Offer by				



Term	Description				
	the ASBA Applicants with the Registrar to the Offer and the Stock Exchanges				
	and a list of which is available at http://www.sebi.gov.in or at such other				
	website as may be prescribed by SEBI from time to time.				
	The demographic details of the Applicants such as their address, PAN,				
Demographic Details	occupation and bank account details.				
	Depositories registered with SEBI under the Securities and Exchange Board				
Danasitarias					
Depositories	of India (Depositories and Participants) Regulations, 1996, as amended from				
.	time to time, being NSDL and CDSL				
Depository	A depository participant as defined under the Depositories Act, 1996.				
Participant/DP	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1				
	Such branches of the SCSBs which shall collect the ASBA Forms from the				
Designated Branches	ASBA Applicants and a list of which is available at http://www.sebi.gov.in or				
	at such other website as may be prescribed by SEBI from time to time.				
	The date on which funds the SCSBs offer instructions for transfer of funds				
Designated Date	from the ASBA Accounts to the Public Offer Account or unblock such				
	amounts, as appropriate, in terms of the Prospectus.				
Designated Stock					
Exchange	SME Platform of BSE Limited				
	This Draft Prospectus dated February 9, 2016 issued in accordance with				
Draft Prospectus	Section 26 and Section 28 of the Companies Act, 2013 and filed with the BSE				
Brait Frospectas	under SEBI (ICDR) Regulations.				
	NRIs from jurisdictions outside India where it is not unlawful to make an				
Eligible NRI	offer or invitation under the offer and in relation to whom the Prospectus will				
	constitute an invitation to subscribe for or purchase the Equity Shares offered				
	herein.				
Escrow Agent	Escrow agent appointed pursuant to the Share Escrow Agreement, namely, [•]				
FII/ Foreign	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional				
Institutional Investors	Investors) Regulations, 1995, as amended) registered with SEBI under				
mstrational myestors	applicable laws in India.				
First/Sole Applicant	The Applicant whose name appears first in the Application Form or Revision				
Thst/Sole Applicant	Form.				
General Information	The General Information Document for investing in public issues prepared				
	and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated				
Document	October 23, 2013, notified by SEBI, as amended from time to time.				
Y 136 /736	Lead Manager to the Offer in this case being Pantomath Capital Advisors				
Lead Manager/ LM	Private Limited, SEBI registered Category I Merchant Banker.				
	The Listing Agreement to be signed between our Company and the SME				
Listing Agreement	Platform of BSE Limited.				
	Market Maker appointed by our Company from time to time, in this case				
	being [•] who has agreed to receive or deliver the specified securities in the				
Market Maker	market making process for a period of three years from the date of listing of				
IVIAI KU IVIAKU	our Equity Shares or for any other period as may be notified by SEBI from				
M1	time to time.				
Market Making	The Market Making Agreement dated [•] between our Company and Market				
Agreement	Maker.				
Market Maker	The reserved portion of 3,06,000 Equity Shares of face value of Rs. 10 each				
Reservation Portion	fully paid for cash at an Offer Price of Rs. 20/- per Equity Share aggregating				
Reservation Portion	Rs.61.20 lakhs for the Market Maker in this Offer.				



Term	Description				
Term					
	Regulations, 1996, as amended from time to time. National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated				
NIF	± •				
	November 23, 2005 of Government of India published in the Gazette of India.				
N. O.C.	The Offer excluding the Market Maker Reservation Portion, of 56,28,000				
Net Offer	Equity Shares of face value Rs. 10 each fully paid for cash at a price of Rs.				
	20/- per Equity Share aggregating Rs. 1,125.60 Lakhs.				
Non Institutional	All Applicants that are not Qualified Institutional Buyers or Retail Individual				
Investors or NIIs	Investors and who have applied for Equity Shares for an amount more than				
	Rs. 2,00,000.				
	A company, partnership, society or other corporate body owned directly or				
	indirectly to the extent of at least 60% by NRIs, including overseas trusts in				
OCB/ Overseas	which not less than 60% of beneficial interest is irrevocably held by NRIs				
Corporate Body	directly or indirectly as defined under the Foreign Exchange Management				
	(Deposit) Regulations, 2000, as amended from time to time.				
	OCBs are not allowed to invest in this Offer.				
0.00 / 0.00 -	The Offer for sale of 59,34,000 Equity Shares of face value Rs. 10/- each fully				
Offer/ Offer for Sale/	paid of Diamond Power Transformers Limited for cash at a price of Rs. 20/-				
OFS	per Equity Share by Diamond Power Infrastructure Limited "Selling				
	Shareholder" aggregating up to Rs. 1,186.80 Lakhs.				
	The Offer Agreement dated January 25, 2016 between our Company, Selling				
Offer Agreement	Shareholder and Lead Manager, pursuant to which certain arrangements are				
	agreed to in relation to the Offer.				
Offer Closing Date	The date on which Offer will close for subscription				
Offer Opening Date	The date on which Offer will open for subscription				
	The period between the Offer Opening Date and the Offer Closing Date				
Offer Period	inclusive of both the days and during which prospective investors can submit				
	their Applications.				
Offer Price/Price	The price at which Equity Shares will be allotted being Rs. 20/- per Equity				
Offer Trice/Trice	Share.				
Offer Proceeds	Proceeds from the Offer that will be available to our Selling Shareholders,				
	being Rs. 1,186.80 Lakhs.				
Payment through					
	Payment through NECS, NEFT or Direct Credit, as applicable				
funds					
	Any individual, sole proprietorship, unincorporated association,				
	unincorporated organization, body corporate, corporation, company,				
Person/ Persons	partnership, limited liability company, joint venture, or trust or any other				
	entity or organization validly constituted and/or incorporated in the				
	jurisdiction in which it exists and operates, as the context requires				
Prospectus	The Prospectus to be filed with RoC containing, inter-alia, the offer size, the				
Trospectus	offer opening and closing dates and other information.				
Public Offer Account	Account opened with the Banker to the Offer i.e. ICICI Bank under Section				
	40 of the Companies Act, 2013 to receive monies from the SCSBs from the				
	bank accounts of the ASBA Applicants on the Designated Date.				
	QIBs, as defined under the SEBI ICDR Regulations, including public				
	financial institutions as specified in Section 4A of the Companies Act,				
Qualified Institutiona	scheduled commercial banks, mutual fund registered with SEBI, FPI other				
Buyers or QIBs	than Category III FPI registered with SEBI, multilateral and bilateral				
	development financial institution, venture capital fund registered with SEBI,				
	foreign venture capital investor registered with SEBI, state industrial				



Term	Description				
	development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 2,500 lakhs, pension fund with minimum corpus of Rs. 2,500 lakhs NIF, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.				
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (exce Syndicate/Sub-Syndicate Members) who hold valid membership of eith BSE or NSE having right to trade in stocks listed on Stock Exchange through which investors can buy or sell securities listed on stock exchanges list of which is available of http://www.bseindia.com/members/MembershipDirectory.aspx http://www.nseindia.com/membership/dynaContent/find_a_broker.htm				
Registrar/ Registrar to this Offer/ RTI	Registrar to the Offer, in this case being Karvy Computershare Priva Limited having registered office at 46, Avenue, 4 th Street, No. 1, Banja Hills, Hyderabad – 500034.				
Retail Individual Investors	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their Karta), who apply for an amount less than or equal to Rs 2,00,000				
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares any of their Application Forms or any previous Revision Form(s)				
SEBI Listing Regulations/ SEBI (LODR) Regulations, 2015	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.				
Self Certified Syndicate Bank or SCSB	Shall mean a Banker to an Offer registered under SEBI (Banker to an Offer) Regulations, 1994, as amended from time to time, and which offer the service of making Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other website as may be prescribed by SEBI from time to time				
Selling Shareholder	Diamond Power Infrastructure Limited ("DPIL")				
Share Escrow Agreement	The agreement to be entered into among the Selling Shareholders, our Company and the Escrow Agent in connection with the transfer of Equity Shares under the Offer for Sale by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees.				
SME Platform of BSE	The SME Platform of BSE for listing of Equity Shares offered under Chapter XB of the SEBI (ICDR) Regulations which was approved by SEBI as an SEE Exchange on September 27, 2011				
Underwriter	Pantomath Capital Advisors Private Limited				
Underwriting Agreement	The Agreement dated January 25, 2016 entered into between the Underwriter, our Company and the Selling Shareholders.				
Working Days	All days other than Sunday or a public holiday on which commercial banks are open for business, except with reference to announcement of Offer Period, where working day shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India				



Technical and Industry Terms

Term Description ASEAN The Association of Southeast Asian Nations BCG Boston Consulting Group BIS Bureau of Indian Standards BRIC Brazil, Russia, India and China CE Capital Economics CRGO Cold Rolled Grain Oriented CSTM Mumbai CST DoNER Development of North Eastern Region DVC Damodar Valley Corporation ESDM Electronics Systems Design and Manufacturing sector EMDES Emerging Market and Developing Economies FICCI The Federation of Indian Chambers of Commerce and Industry FIPB Foreign Investment Promotion Board FTAA Free Trade Agreements FYP Five Year Plans GDP Gross Domestic Product Gol Government of India GST Goods and Services Tax GW Gigawatt IEE Indian Electrical Equipment IIT's Indian Institutes of Technology IMF International Monetary Fund IRDA Insurance Regulatory and Development Authority of India KV Kilovolt MCR Modified Credit Ratio MMDR Mines and Minerals (Development and Regulation) M&A Mergers and Acquisitions MoC Memorandum of Culderstanding MTOE Million Tonnes of Oil Equivalent NYA Mega Volt Ampere MW Megawatt NTPC National Thermal Power Corp Ltd OGCCD Organisation for Economic Cooperation and Development ONGC Oil & Natural Gas Corporation PIDTY Profit Before Interest, Depreciation & Tax PE Private Equity PGCIL Power Grid Corporation of India Ltd PMI Purchasing Managers' Index PTASA Preferential Trade Agreement PV Photovoltaic UP Uttar Pradesh	Technical and Industry					
BCG Boston Consulting Group BIS Bureau of Indian Standards BRIC Brazil, Russia, India and China CE Capital Economics CRGO Cold Rolled Grain Oriented CSTM Mumbai CST DONER Development of North Eastern Region DVC Damodar Valley Corporation ESDM Electronics Systems Design and Manufacturing sector EMDES Emerging Market and Developing Economics FICCI The Federation of Indian Chambers of Commerce and Industry FIPB Foreign Investment Promotion Board FTAs Free Trade Agreements FYP Five Year Plans GDP Gross Domestic Product Gol Government of India GST Goods and Services Tax GW Gigawatt IEE Indian Electrical Equipment IITS Indian Institutes of Technology IMF International Monetary Fund IRDA Insurance Regulatory and Development Authority of India Kv Kilovolt MCR Modified Credit Ratio MMDR Mines and Minerals (Development and Regulation) MMCR Mergers and Acquisitions MoC Memorandum of Collaboration MMOR Minister of State Prime Minister's Office MMU Megawatt NTPC National Thomas of Corporation and Development MYA Mega Volt Ampere MW Megawatt NTPC National Thomas Of Die Leiwalent MTPC National	Term	Description				
BIS Bureau of Indian Standards BRIC Brazil, Russia, India and China CE Capital Economics CRGO Cold Rolled Grain Oriented CSTM Mumbai CST DONER Development of North Eastern Region DVC Damodar Valley Corporation ESDM Electronics Systems Design and Manufacturing sector EMDES Emerging Market and Developing Economics FICCI The Federation of Indian Chambers of Commerce and Industry FIPB Foreign Investment Promotion Board FTAs Free Trade Agreements FYP Five Year Plans GDP Gross Domestic Product GoI Government of India GST Goods and Services Tax GW Gigawatt IEE Indian Electrical Equipment IIT's Indian Institutes of Technology IMF International Monetary Fund IRDA Insurance Regulatory and Development Authority of India Kv Kilovolt MCR Modified Credit Ratio MMDR Mines and Minerals (Development and Regulation) M&A Mergers and Acquisitions MoC Memorandum of Collaboration MoS PMO Minister of State Prime Minister's Office MOU Memorandum of Understanding MTOE Million Tonnes of Oil Equivalent MVA Mega Volt Ampere MW Megawatt NTPC National Tremal Power Corp Ltd OECD Organisation for Economic Cooperation and Development ONGC Oil & Natural Gas Corporation PBIDT Profit Before Interest, Depreciation & Tax PE Private Equity PGCIL Power Gird Corporation of India Ltd PMI Purchasing Managers' Index PTAS Preferential Trade Agreement PV Photovoltaic T&D United Kingdom		The Association of Southeast Asian Nations				
BRIC Brazil, Russia, India and China CE Capital Economics CRGO Cold Rolled Grain Oriented CSTM Mumbai CST DoNER Development of North Eastern Region DVC Damodar Valley Corporation ESDM Electronics Systems Design and Manufacturing sector EMDES Emerging Market and Developing Economies FICCI The Federation of Indian Chambers of Commerce and Industry FIPB Foreign Investment Promotion Board FTAs Free Trade Agreements FYP Five Year Plans GDP Gross Domestic Product Gol Government of India GST Goods and Services Tax GW Gigawatt IEE Indian Electrical Equipment IITS Indian Institutes of Technology IMF International Monetary Fund IRDA Insurance Regulatory and Development Authority of India Kv Kilovolt MCR Modified Credit Ratio MMDR Mines and Minerals (Development and Regulation) M&A Mergers and Acquisitions MoC Memorandum of Collaboration MoS PMO Minister of State Prime Minister's Office MoU Memorandum of Understanding MTOE Million Tonnes of Oil Equivalent MVA Megawatt NTPC National Thermal Power Corp Ltd OECD Organisation for Economic Cooperation and Development ONGC Oil & Natural Gas Corporation PMDID Profit Before Interest, Depreciation & Tax PE Private Equity PGCIL Power Grid Corporation of India Ltd PMI Purchasing Managers' Index PTAs Preferential Trade Agreement PV Photovoltaic Taxonission & Distribution UK United Kingdom		<u> </u>				
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	UP	Uttar Pradesh				



Term	Description			
WEO	World Economic Outlook			
WTO	World Trade Organization			

Conventional and General Terms/Abbreviations

Term	Description				
A/c	Account				
AGM	Annual General Meeting				
	Alternative Investment Fund as defined in and registered with SEBI under the				
AIF	Securities and Exchange Board of India (Alternative Investments Funds)				
	Regulations, 2012				
AS	Accounting Standards issued by the Institute of Chartered Accountants of				
AS	India.				
A.Y./ AY	Assessment Year				
AoA	Articles of Association				
ASBA	Application Supported by Blocked Amount				
B.Com	Bachelor of Commerce				
BG/LC	Bank Guarantee / Letter of Credit				
BIFR	Board for Industrial and Financial Reconstruction				
B.Sc.	Bachelor of Science				
B. Tech.	Bachelor of Technology				
BSE	BSE Limited				
C.A.	Chartered Accountant				
CAGR	Compounded Annual Growth Rate				
СВ	Controlling Branch				
CC	Cash Credit				
CDSL	Central Depository Services (India) Limited				
CENVAT	Central Value Added Tax				
CFO	Chief Financial Officer				
CIN	Corporate Identity Number				
CS	Company Secretary				
CST	Central Sales Tax				
DGFT	Directorate General of Foreign Trade				
DIN	Director Identification Number				
DIPP	Department of Industrial Policy & Promotion				
DP	Depository Participant				
DP ID	Depository Participant's Identification Number				
ECS	Electronic Clearing System				
EBIDTA	Earnings before Interest, Depreciation, Tax and Amortisation				
EGM	Extraordinary General Meeting of the shareholders				
EPFA	The Employees' Provident Funds and Miscellaneous Provisions Act,1952				
EPS	Earnings Per Share				
ESIC	Employee's State Insurance Corporation				
ESOP	Employee Stock Option Plan				
FCNR Account	Foreign Currency Non Resident Account				
FDI	Foreign Direct Investment				
EII(a)	Foreign Institutional Investor, as defined under the FII Regulations and				
FII(s)	registered with the SEBI under applicable laws in India				
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors)				



Term	Description					
Term	Regulations, 1995, as amended from time to time.					
FIPB	Foreign Investment Promotion Board					
	Foreign Exchange Management Act, 1999, as amended from time to time, and					
FEMA	the Regulations framed there under					
Financial Year/ Fiscal/	the regulations framed there under					
F.Y.	The period of twelve (12) months ended on March 31 of that particular year.					
FI's	Financial Institutions					
110	"Foreign Portfolio Investor" means a person who satisfies the eligibility criteria					
	prescribed under regulation 4 and has been registered under Chapter II of					
FPIs	Securities And Exchange Board Of India (Foreign Portfolio Investors)					
	Regulations, 2014, which shall be deemed to be an intermediary in terms of the					
	provisions of the SEBI Act,1992					
FTP	Foreign Trade Policy, 2009					
FV	Face Value					
FVCI	Foreign Venture Capital Investors registered with SEBI under the SEBI					
	(Foreign Venture Capital Investor) Regulations, 2000.					
GDP	Gross Domestic Product					
GoI/Government	Government of India					
HUF	Hindu Undivided Family					
HNI	High Net Worth Individual					
i.e.	That is					
IFRS	International Financial Reporting Standards					
Indian GAAP	Generally Accepted Accounting Principles in India					
INR / Rs./ Rupees	Indian Rupees, the legal currency of the Republic of India					
IPO	Initial Public Offer					
IRDA	Insurance Regulatory and Development Authority					
I. T. Act	The Income Tax Act, 1961, as amended.					
IT Authorities	Income Tax Authorities					
I. T. Rules	The Income Tax Rules, 1962, as amended, except as stated otherwise.					
KMP	Key Managerial Personnel					
LM	Lead Manager					
MICR	Magnetic Ink Character Recognition					
Mn	Million					
MNC	Multi National Company					
MoA	Memorandum of Association					
MoF	Ministry of Finance, Government of India					
MoU	Memorandum of Understanding					
N.A.	Not Applicable					
NAV	Net Asset Value					
NECS	National Electronic Clearing System					
NEFT	National Electronic Fund Transfer					
NBFC	Non- Banking Finance Company					
No.	Number					
NoC	No Objection Certificate					
NI Act	Negotiable Instruments Act, 1881					
NOC	No Objection Certificate					
NRE Account	Non-Resident (External) Account					
NRO Account	Non-Resident (Ordinary) Account					
NSDL	National Securities Depository Limited					



Term	Description					
OCB	Overseas Corporate Bodies					
p.a.	Per annum					
PAC	Persons Acting in Concert					
PAN	Permanent Account Number					
PAT	Profit After Tax					
PBT	Profit Before Tax					
P/E Ratio	Price/Earnings Ratio					
Pvt.	Private					
QIB	Qualified Institutional Buyer					
RBI	Reserve Bank of India					
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.					
R & D	Research and Development					
ROE	Return on Equity					
RoC	Registrar of Companies					
RONW	Return on Net Worth					
RTGS	Real Time Gross Settlement					
Indian Rupees, the official currency of the Republic of India						
GARRAEGI	The Securitisation and Reconstruction of Financial Assets and Enforcement of					
SARFAESI	Security Interest Act, 2002					
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time					
SCRR	Securities Contracts Regulations Rules, 1957					
CEDI	The Securities and Exchange Board of India constituted under the SEBI Act,					
SEBI	1992.					
SEBI (Venture Capital)	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as					
Regulations	amended from time to time					
Sec.	Section					
SICA	Sick Industrial Companies (Special Provisions) Act, 1985					
SME	Small and Medium Enterprises					
STT	Securities Transaction Tax					
TAN	Tax Deduction Account Number					
TRS	Transaction Registration Slip					
TIN	Taxpayers Identification Number					
U.S.A. / United States /	United States of America					
US / U.S.	United States of America					
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America					
USD/ US\$/\$	United States Dollar, the official currency of the Unites States of America					
VAT	Value added tax					
VCF / Venture Capital	Foreign Venture Capital Funds (as defined under the Securities and Exchange					
Fund	Board of India (Venture Capital Funds) Regulations, 1996) registered with					
Tullu	SEBI under applicable laws in India					
w.e.f.	With effect from					
YoY	Year on Year					

Notwithstanding the following: -

- i. In the section titled "Main Provisions of the Articles of Association" beginning on page 299 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section;
- ii. In the section titled "Financial Statements" beginning on page 167 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section;



- iii. In the section titled "*Risk Factor*" beginning on page 16 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section;
- iv. In the chapter titled "Statement of Possible Tax Benefits" beginning on page 97 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that chapter; and
- v. In the chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 205 of this Draft Prospectus, defined terms shall have the meaning given to such terms in that section.



PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

All references to "India" are to the Republic of India and all references to the "Government" are to the Government of India.

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Draft Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled 'Financial Statements' beginning on page 167 of this Draft Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

Our fiscal year commences on April 1st of each year and ends on March 31st of the next year. All references to a particular fiscal year are to the 12 month period ended March 31st of that year. In this Draft Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points.

There are significant differences between Indian GAAP, IFRS and US GAAP. The Company has not attempted to quantify their impact on the financial data included herein and urges you to consult your own advisors regarding such differences and their impact on the Company's financial data. Accordingly to what extent, the financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices / Indian GAAP. Any reliance by persons not familiar with Indian Accounting Practices on the financial disclosures presented in this Draft Prospectus should accordingly be limited.

Any percentage amounts, as set forth in "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Draft Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled 'Financial Statements' beginning on page 167 of this Draft Prospectus.

CURRENCY OF PRESENTATION

In this Draft Prospectus, references to "Rupees" or "Rs." or "INR" are to Indian Rupees, the official currency of the Republic of India. All references to "\$", "US\$", "USD", "U.S. \$"or "U.S. Dollars" are to United States Dollars, the official currency of the United States of America.

All references to 'million' / 'Million' / 'Mn' refer to one million, which is equivalent to 'ten lacs' or 'ten lakhs', the word 'Lacs / Lakhs / Lac' means 'one hundred thousand' and 'Crore' means 'ten million' and 'billion / bn./ Billions' means 'one hundred crores'.

INDUSTRY & MARKET DATA

Unless otherwise stated, Industry & Market data used throughout this Draft Prospectus have been obtained from internal Company reports and Industry publications inter alia Planning Commission of India, Economic Survey, Industry Chambers and Associations etc. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Draft Prospectus is reliable, it has not been



independently verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.

Further the extent to which the market and industry data presented in this Draft Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions may vary widely among different industry sources.



FORWARD LOOKING STATEMENTS

This Draft Prospectus contains certain "forward-looking statements". These forward looking statements can generally be identified by words or phrases such as "aim", "anticipate", "believe", "expect", "estimate", "intend", "objective", "plan", "project", "shall", "will", "will continue", "will pursue" or other words or phrases of similar meaning. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results and property valuations to differ materially from those contemplated by the relevant forward looking statement.

Important factors that could cause actual results to differ materially from our expectations include, but are not limited to the following:-

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in the Industry in which we operate;
- Factors affecting electrical industry and power sector;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control:
- Our ability to manage risks that arise from these factors;
- Conflict of Interest with affiliated companies, the promoter group and other related parties; and
- Changes in government policies and regulatory actions that apply to or affect our business.

For a further discussion of factors that could cause our actual results to differ, refer to section titled "Risk Factors" and chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 16 and 205 respectively of this Draft Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Future looking statements speak only as of the date of this Draft Prospectus. Neither we, our Directors, Lead Manager, Selling Shareholders, Underwriters nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, the LM and our Company will ensure that investors in India are informed of material developments until the grant of listing and trading permission by the Stock Exchange.



SECTION II - RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of this offer including the merits and risks involved. Any potential investor in, and subscriber of, the Equity Shares should also pay particular attention to the fact that we are governed in India by a legal and regulatory environment in which some material respects may be different from that which prevails in other countries. The risks and uncertainties described in this section are not the only risks and uncertainties we currently face. Additional risks and uncertainties not known to us or that we currently deem immaterial may also have an adverse effect on our business. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. Additionally, our business operations could also be affected by additional factors that are not presently known to us or that we currently consider as immaterial to our operations.

Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. To obtain a complete understanding, you should read this section in conjunction with the chapters titled "Our Business" beginning on page 119, "Our Industry" beginning on page 100 and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 205 respectively, of this Draft Prospectus as well as other financial information contained herein.

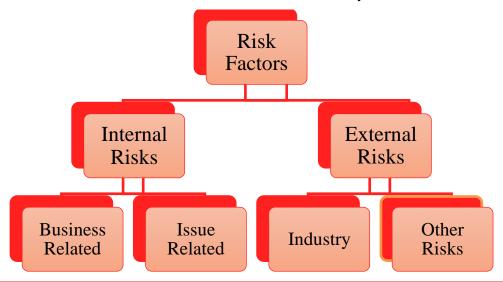
The following factors have been considered for determining the materiality of Risk Factors:

- Some events may not be material individually but may be found material collectively;
- Some events may have material impact qualitatively instead of quantitatively;
- Some events may not be material at present but may have material impact in future.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Draft Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled "Definitions and Abbreviations" beginning on page 3 of this Draft Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.



The risk factors are classified as under for the sake of better clarity and increased understanding:



INTERNAL RISK FACTORS

Business Risks

Our Company has filed incorrect income tax returns for AY 2012-13, AY 2013-14 and AY 2014-15 under the Income Tax Act, 1961. Such incorrect filing may subject our Company to interest and penalties under the said Act and consequently affect our result of operations.
 Our Company has filed incorrect income tax return for AY 2012-13, AY 2013-14 and AY 2014-15

under the Income Tax Act, 1961. Such incorrect filings may subject our company to interest and penalties under section 271(1)(c) for concealment of income/ furnishing inaccurate particulars of income and other applicable sections of the Income Tax Act. As on date, our Company has completed income tax scrutiny assessment for AY 2012-13 while assessment for AY 2013-14 and AY 2014-15 is in process.

Any demand arising on income tax scrutiny assessment for AY 2013-14 and AY 2014-15 or on reassessment for AY 2012-13 may heavily impact our cash flows and adversely affect our result of operations. For detailed information, please refer to "Annexure XXVIII – Statement of tax Shelter" in the chapter titled "Financial Statement as Restated" beginning on page 167 of this Draft Prospectus.

2. Our Company, promoters and directors are involved in certain legal proceedings. Any adverse decision in such proceedings may render us / them liable to liabilities / penalties and may adversely affect our business and results of operations.

There are outstanding legal proceedings involving our Company, Promoters and Directors. These proceedings are pending at different levels of adjudication before various courts, tribunals and other authorities. The amounts involved in these proceedings have been disclosed to the extent ascertainable and quantifiable. We cannot assure you that these proceedings will be decided in our favour or in favour of our Company, Promoters or Directors, as applicable. Any unfavourable decision in connection with such proceedings, individually or in the aggregate, could adversely affect our reputation, business and results of operation. Details of such outstanding litigations as on date of this Draft Prospectus are as follows:



					Amount (Rs.in lakhs)	
Name of Entity	Criminal Proceeding s	Civil/ Arbitration Proceedings	Tax proceedings	Labour disputes	Complaints under Section 138 of NI Act, 1881	Aggregat e amount involved
Company	_				_	
By the Company	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	Nil	1	Nil	Nil	4.26
Promoters			•			•
By the promoters	1	2	2	1	8	568.87
Against the promoters	0	2	Nil	Nil	1	64.38
Directors oth	ner than promo	oters	-	•	1	•
By the Directors	Nil	Nil	1	1	Nil	172.72
Against the Directors	1	Nil	Nil	Nil	Nil	4,000.00

In addition to this, our Company has also received a notice from Income Tax Department under Section 143 (2) and 142(1) of Income Tax Act, 1961 ("Income Tax Act") seeking clarification regarding Income Tax Return for AY 2013-14 and a notice from Income Tax Department under Section 143(2) of Income Tax Act for AY 2014-15 seeking further information. Our directors Mr. Amit Bhatnagar and Mr. Sumit Bhatnagar has also received notices from Income Tax Department under Section 142 (1) and 143 (3) of Income Tax Act respectively in respect of assessment year 2013-14, directing them to furnish the necessary documents. Our Promoter Company has also received notice from Income Tax Department and Central Excise Department, details of which are outlined in the section titled "Outstanding Litigation and Material Developments".

Further, our Company is also subject to risks of litigation including public interest litigation, contract, employment related, personal injury and property damage. Any adverse decision may have a significant effect on our business including the financial condition of our Company, delay in implementation of our current or future project and results of operations. There can be no assurance that losses relating to litigation or arbitration will be covered by insurance, that any such losses would not have a material adverse effect on the results of our operations or financial condition, or that provisions made for litigation and arbitration related losses would be sufficient to cover our ultimate loss or expenditure. Details of outstanding proceedings that have been initiated against our Company are set forth in the section titled "Outstanding Litigation and Material Developments" beginning on page 219 of this Draft Prospectus.

3. Our Company has suffered heavy losses in the financial year 2014-15 and for the period ended September 30, 2015.

Our profit before tax has exceptionally declined from Rs. 885.37 lakhs in FY 2014 to a loss of Rs. (5,891.93) lakhs in FY 2015. Financial Year 2014-15 has been one of the toughest years for our Group. Growth of transmission and distribution equipment industry majorly depends on the growth of the economy and investment in power sector. However from 2012-13 to 2014-15, growth has slowed down considerably resulting into cascading effect on all industries. As the power sector is positively correlated with the growth of economy, the decline in GDP growth has resulted in sluggish growth in



Power Sector. This slowdown in economy coupled with lack of new orders has resulted in a major decline of our revenue from operations i.e from Rs. 47,906.56 lakhs in FY 2014 to Rs. 32,885.36 lakhs in FY 2015. Another reason contributing to such loss is increase in price of our basic raw materials i.e. CRGO and aluminum. In many instances, the Company was unable to pass on the cost of the higher inputs to the customers which had eroded margins of the Company as cost of production had significantly increased with no corresponding increase in price of existing orders due to Company entering into Fixed Price contracts and due to restrictive price escalation clauses. The diminishing operations and increasing costs has aroused working capital issues. Due to lack of adequate working capital facilities, the Company had defaulted in several contracts during the year 14-15 as it was unable to deliver goods as per specified schedule in contract. This subjected Company to contractual penalties to the tune of Rs. 873.31 lakhs." Further the raw materials procured at increased prices also affected our profitability during the first half of the year resulting into losses before tax of Rs. (11.74) lakhs for the period ended September 30, 2015. However in the light of improvements of power sector, government initiatives, our current order book we foresee a profitable year and aim to recover the losses.

4. Our top 5 customers constitute more than 88% and top 10 customers contribute around 94.53% of our revenue from operations.

As per our current business model, our Company has a limited customer base as we generate our major sales by subscribing and fulfilling of tenders invited by Electricity Companies operated by state government and selling to few parties from the private sector unit. Further the Company has not forayed into retail trading yet. For the year ended March 31, 2015 our top 5 customers contributed more than 88% and top 10 customers contributed around 94.53% of our sales. Any decline in our quality standards, growing competition and any change in the demand, may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, and the loss of business from one or more of them may adversely affect our revenues and results of operations. However, the composition and revenue generated from these customers might change as we continue to add new customers in the normal course of business. We believe that we will not face substantial challenges in maintaining our business relationship with them or finding new customers.

5. We have a limited number of raw material suppliers and traded goods. Any kind of refusal from them can hinder our production resulting into loss of our clients.

There are a very few suppliers from whom we procure raw materials and traded goods and they may allocate their resources to service other clients ahead of us. Further we are heavily dependent on our Promoter Company, M/s. Diamond Power Infrastructure Limited for supplying cables and transmission tower materials. While we believe that we could find additional suppliers to supply these raw materials and we shall continue to get supply of cables, conductors and transmission tower material from our Promoter Company at competitive prices, any failure of our such suppliers to deliver these materials in the necessary quantities or to adhere to delivery schedules or specified quality standards and technical specifications would adversely affect our production processes and our ability to deliver orders on time and at the desired level of quality. As a result, we may lose customers and incur contractual penalties or liabilities for failure to perform contracts, which could have a material adverse effect on our business, financial condition and results of operations.

6. Our revenue from manufacturing operations is highly dependent on business from electricity companies operated by Gujarat State Government and hence indirectly exposed to the risks associated with growth of such Companies.

Our revenue from manufacturing operations is highly dependent on business from electricity companies operated by Gujarat State Government. The frequency and the volume of the tenders invited by these Companies are dependent on the growth of the state economy, infrastructural development, industrial demand, government policies and such other factors. Any downfall or



disruption in the demand from the state government electricity companies for our products may adversely affect our business model and our revenue from operations.

7. We generate our major portion of sales from our operations in certain geographical regions especially Gujarat and any adverse developments affecting our operations in these regions could have an adverse impact on our revenue and results of operations.

We generate our major sales from selling to some private sector companies of Gujarat and subscribing and fulfilling of tenders invited by Electricity Companies operated by Gujarat state government. Such geographical concentration of our business in these regions heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in these regions which may adversely affect our business prospects, financial conditions and results of operations. We may not be able to leverage our experience in Gujarat region to expand our operations in other parts of India and overseas markets, should we decide to further expand our operations.

Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in Gujarat, and our experience in Gujarat may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, have stronger relationships with local distributors, dealers, relevant government authorities, suppliers or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to expand into areas outside Gujarat market may adversely affect our business prospects, financial conditions and results of operations. While our management believes that the Company has requisite expertise and vision to grow and mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we face and should not rely on our results of operations for any prior periods as an indication of our future performance.

8. Any penalty or action taken by any regulatory authorities in future for non-compliance with provisions of corporate and other law could impact the financial position of the Company to that extent.

Our Company has not complied with certain statutory provisions under the Companies Act such as the following:

- ➤ Provision of security and/or guarantee to our Company by another Company having same director, attracting provision of section 185 of the Companies Act, 2013;
- ➤ Non-compliance with section 383A of the Companies Act, 1956 and section 203 of the Companies Act, 2013
- ➤ Non-compliance with Unlisted Public Companies (Preferential Allotment) Rules, 2003 for opening of separate bank.
- ➤ Non-compliance with section 42 of the Companies Act, 2013 for allotment of securities to be issued within sixty days from the date of receipt of the application money.
- ➤ Non-compliance with Section 129(3) of the Companies Act, 2013 for the period ended September 30, 2015.

Further, our Company has not filed forms for satisfaction of charge on certain assets of our Company against the loans availed by our Company in the past and has also delayed filing of some other forms under the Companies Act. We have not been furnished with any notices by the RoC/any other statutory authority with respect to this non-compliance. However, we cannot guarantee that we will not be subject to any penalties for the said violations in future. Such delay/non-compliance may in the future render us liable to statutory penalties and disallowing the resolutions, which may have consequence of violation of statutory provisions concerned. We have appointed a whole time Company Secretary with effect from January 25, 2016 who shall look after the legal compliances of the Company and shall ensure the timely compliances in future.



Further, our Company has not complied with the provisions of Accounting Standard 3 – Cash Flow Statements, Accounting standard 17– Segment Reporting and Accounting standard 18 – Related Party Transactions in the past. Though these non-compliances do not have any financial impact, it may deprive the user of the financial statements, of a more informed view. Except for compliance with Accounting Standard 17, our restated financial statements have made the necessary compliance. With respect to non-compliance with Accounting Standard 17– Segment Reporting, please refer Independent Auditor's Report for the Restated Financial Statements beginning on page 167 of this Draft Prospectus.

9. Our Company has negative cash flows from its operating activities, investing activities as well as financing activities in the past years, details of which are given below. Sustained negative cash flow could impact our growth and business.

Our Company had negative cash flows from our operating activities, investing activities as well as financing activities in the previous year(s) as per the Restated Financial Statements and the same are summarized as under:

		As at				
Particulars	2011	2012	2013	2014	2015	September 30, 2015
Cash Flow from /						
(used in) Operating						
Activities	(2,247.89)	(2,290.91)	(459.74)	1,706.92	84.89	(326.55)
Cash Flow from /						
(used in) Investing						
Activities	(235.03)	54.62	(1,433.87)	(324.12)	186.45	112.25
Cash Flow from /						
(used in) Financing						
Activities						
Activities	2,457.86	3,522.27	1,425.27	(1,363.31)	(747.56)	116.60

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flows in future, it may adversely affect our business and financial operations.

10. Our business is dependent on our continuing relationships with our customers, with whom we have not entered into long term arrangements. Our business comes from tenders and selling to private institutions, failure to procure such tenders or orders on a continuous basis could adversely impact our revenues and profitability.

We do not have any long term arrangements with any of our customers for purchase of our products in the future, at the current prices or at all. We generate our sales both by subscribing and fulfilling of tenders invited by Electricity Companies operated by state government and selling to private institutions. Our Company bids in the prospective tenders where bidders are scrutinised for technical and financial qualifications. Quality and reliability of the products, competitive bids at which the tenders are subscribed, ability to perform the tenders within time, etc. are some of the major criteria upon which the government companies awards the tender. There is no assurance that we will be able to obtain continuous business, get awarded with tenders every time or at all. Also we do not have long term contracts with our customers from private sector. The loss of or interruption of work by, a significant customer or a number of significant customers or the inability to procure tender contracts on a regular basis or at all may have an adverse effect on our revenues, cash flows and operations.



11. Our cost of production is exposed to fluctuations in the prices of raw material as well as its unavailability.

Our Company is currently into production of transformers and transmission towers. Our main raw material requirement is of aluminum, CRGO, M.S. items, etc. We are exposed to fluctuations in the prices of these raw materials as well as its unavailability, particularly as we typically do not enter into any long term supply agreements with our suppliers and our major raw material requirement is met in the spot market. We may be unable to control the factors affecting the price at which we procure our raw material. We also face the risks associated with compensating for or passing on such increase in our cost of production on account of such fluctuations in prices to our customers, particularly for sale of transformers which is majorly made to electricity companies operated by state government. These contracts are entered into on the basis of tenders subscribed and the conditions mentioned therein. At times, such contracts are entered at fixed rate i.e. there shall not be any clause for recovering subsequent increase in prices of raw materials. In other cases, there may be price escalation clause subject to certain conditions. Although we endeavour to have contractual protection against price fluctuations in raw materials from the quoted price vis-à-vis the price when the actual order is executed, we cannot assure that the contractual protection would be adequate to mitigate the impact of fluctuations. Further in case of fixed rate contracts, though we take into account the necessary factors and utmost care while subscribing to it, any delay in the operating schedule or any unforeseen event leading to rise in price of raw materials beyond our control may adversely affect our profitability and results of operations. Though we have been sourcing raw materials from various suppliers, our inability to obtain high-quality raw materials in a timely and cost-effective manner would cause delays in our production and delivery schedules, which may result in the loss of our customers and revenues.

12. Our industry is labour intensive and our business operations may be materially adversely affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.

We believe that the Indian electrical industry faces competitive pressures in recruiting and retaining skilled and unskilled labour. Our industry being labour intensive is highly dependent on labour force for carrying out its business operations. Shortage of skilled/unskilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business and results of operations. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Such disruptions may adversely affect our business and results of operations, reputation and may also divert the management's attention and result in increased costs. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies, and we may face the threat of labour unrest, work stoppages. For further details, see "Our History and Certain Corporate Matters" on page 139 of the Draft Prospectus.

13. Our Company is dependent on third party transportation providers for the delivery of raw materials, traded goods and finished products and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations.

Our Company uses third party transportation providers for delivery of our raw materials, traded goods and finished products. Though our business has not experienced any major disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. These transportation facilities may not be adequate to support our existing and future operations. In addition raw materials, traded goods and finished products may be lost or damaged in



transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery of products which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our raw materials/traded goods may have an adverse effect on our business and results of operations. Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure and port facilities, or other events could impair ability to procure raw materials, traded goods on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

14. We are subject to penalties and liquidated damages in case of contracts entered into with Government entities. Further we may be liable to terminate such contracts in case of breach of certain terms and conditions.

We are subject to penalties or liquidated damages in case of contracts entered into with Government entities. Any failures to adhere to a contractually agreed schedule for reasons other than the agreed force majeure events could result in us being required to pay liquidated damages. Further we are bound by certain contractual liabilities for not adhering to conditions mentioned in the contract. Any delay in adhering to a specified delivery schedule or breaching other terms of contract may adversely affect our profitability, working capital requirements, and cash flows and may also lead to termination of contracts in some instances. Further such instances might also affect our ability and chances to be awarded with such tenders in future.

15. Our Company requires significant amounts of working capital for a continued growth. Our inability to meet our working capital requirements may have an adverse effect on our results of operations.

Our business is working capital intensive. A significant portion of our working capital is utilized towards trade receivables and inventories. Summary of our working capital position is given below:-

Amount (Rs. in lakhs)

	For the year ended March 31,					As at
Particulars	2011	2012	2013	2014	2015	September 30, 2015
A. Current Assets						
a. Inventories	1,506.05	4,092.29	4,458.37	6,056.92	3,708.11	4,837.27
b. Trade receivables	4,255.47	6,374.49	6,672.73	8,698.96	3,145.15	3,589.54
c. Cash and cash						
equivalents	106.15	1,392.12	923.78	943.27	467.05	369.35
d. Short term loans &						
advances	219.80	1,092.84	-	167.88	112.59	13.66
d. Other current assets	91.33	223.83	251.02	306.55	332.06	391.94
B. Current Liabilities						
Short term borrowings	558.38	2,996.55	5,722.34	4,028.29	3,576.12	4,422.73
Trade payables	258.19	568.37	721.64	2,667.61	497.74	848.79
Other current liabilities	202.75	1,152.42	1,396.47	3,802.18	2,896.58	3,123.83
Short term provisions	678.41	849.10	755.26	854.13	835.32	823.33
Working Capital (A-B)	4,481.07	7,609.13	3,710.19	4,821.37	(40.80)	(16.92)
Inventories as % of total						
current assets	24.37%	31.06%	36.23%	37.45%	47.75%	52.57%
Trade receivables as % of						
total current assets	68.87%	48.38%	54.22%	53.78%	40.50%	39.01%



We intend to continue growing by reaching to other geographical areas and expanding our business operations. This may result in increase in the quantum of current assets particularly inventories and trade receivables. Our inability to maintain sufficient cash flow, credit facility and other sources of fund, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations.

16. We operate in a highly competitive environment and may not be able to maintain our market position, which may adversely impact our business, results of operations and financial condition.

The industry segment which we cater to is dependent on government tenders and is highly competitive. Further the private sector customers whom we cater to, have numerable options of suppliers for fulfilling their demand for cables, wires, transmission towers and other related products. We compete primarily on the basis of quality, pricing and marketing. We believe that in order to compete effectively, we must continue to maintain our reputation, be flexible and prompt in responding to rapidly changing market demands, and offer customer qualitative products at competitive prices. There can be no assurance that we can effectively compete with our competitors in the future, and any such failure to compete effectively may have a material adverse effect on our business, financial condition and results of operations.

17. Our Company has manufacturing facilities located at Ranoli and Padra, Vadodara, Gujarat. Any delay in production at, or shutdown of, or any interruption for a significant period of time, in these facilities may in turn adversely affect our business, financial condition and results of operations.

Our Company has manufacturing facilities located at Ranoli and Padra, Vadodara, Gujarat. Our success depends on our ability to successfully manufacture and deliver our products to meet our customer demand. Our transformers and transmission tower manufacturing facilities are susceptible to damage or interruption or operating risks, such as human error, power loss, breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, obsolescence, loss of services of our external contractors, terrorist attacks, acts of war, break-ins, earthquakes, other natural disasters and industrial accidents and similar events. Further, our manufacturing facilities are also subject to operating risk arising from compliance with the directives of relevant government authorities. Operating risks may result in personal injury and property damage and in the imposition of civil and criminal penalties. If our Company experiences delays in production or shutdowns at any or all of these facilities due to any reason, including disruptions caused by disputes with its workforce or any external factors, our Company's operations will be significantly affected, which in turn would have a material adverse effect on its business, financial condition and results of operations.

18. We do not own the premises on which our manufacturing facilities are situated.

We do not own the premises on which our manufacturing plants are situated. Our manufacturing plant situated at Padra, Vadodara has been taken on lease from Apex Electricals Limited while the one located at Ranoli is taken on lease from GIDC. We are heavily dependent on these facilities for carrying out our manufacturing operations. Further M/s. Apex Electricals Limited is referred to BIFR and any adverse order from them restricting or ceasing the rights for usage of factory would affect our manufacturing capacity and operations. Also if we do not comply with certain conditions of both the lease deeds, it may lead to termination of leases, which would have an adverse effect on our operations and there can be no assurance that renewal of lease agreements with the respective parties shall be carried. In case of such an order, non-renewal of lease, we may be required to lease/ buy a new plant in future which may impact our cash flows. Further, there can be no assurance that the arrangement we enter into in respect of new premises would be on such terms and conditions as the present one.



19. Our operations may be adversely affected in case of industrial accidents at any of our production facilities.

Usage of heavy machinery, handling of materials by labour during production process or otherwise, lifting of materials by humans, etc. may result in accidents, which could cause injury to our labour, employees, other persons on the site and could also damage our properties thereby affecting our operations. Further our plants and machinery and personnel may not be covered under adequate insurance for occurrence of particular types of accidents which could adversely hamper our cash flows and profitability. In accordance with the statutory provisions to be followed by our Company, the Company may need to incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non-compliance, other liabilities and related litigation, any or all of which could adversely affect our business, prospects, financial condition and results of operations.

20. We have in the past entered into related party transactions and may continue to do so in the future.

Our Company has entered into certain transactions with our related parties including our Promoters, the Promoter Group, our Group Companies, our Directors and their relatives. Further, our promoter company, DPIL serves as one of our top 5 customers as well as suppliers. However our Company and Promoters have not made compliance with AS-18 in respect of related party disclosures. While we believe that all such transactions have been conducted on the arm's length basis, there can be no assurance that we could not have achieved more favourable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation. For details on the transactions entered by us, please refer to section "Related Party Transactions" in Section "Financial Statements" beginning on page 167 of this Draft Prospectus.

21. Conflicts of interest may arise out of common business undertaken by our Company, Promoters and our Group Entities.

Our Promoters, Diamond Power Infrastructure Limited and Diamond Power Transmission Private Limited and our Group Entity, Diamond Power Global Holdings Limited are also authorized to deal in same products such as cables, wires, transmission towers, etc. in which our Company deals. As a result, conflicts of interests may arise in allocating business opportunities amongst our Company, Promoters and our Group Entities in circumstances where our respective interests diverge. In cases of conflict, our Promoters may favour itself or other companies in which our Promoters have interests. There can be no assurance that our Promoters or our Group Entities or members of the Promoter Group will not compete with our existing business or any future business that we may undertake or that their interests will not conflict with ours. Any such present and future conflicts could have a material adverse effect on our reputation, business, results of operations and financial condition.

22. Our Promoter, DPIL and some of our Group Entities have incurred losses in the previous financial years.

Sustained financial losses by our Promoter and Group Entities may not be perceived positively by external parties such as customers, bankers, suppliers etc, which may affect our credibility and business operations. Our Promoter, Diamond Power Infrastructure Limited and our Group Entities, Diamond Power Global Holdings Limited and Diamond Projects Limited have incurred losses in previous years:



Financial Performance of Diamond Power Infrastructure Limited

(Rs. In Lakhs)

Particulars	2012-13	2013-14	2014-15
Paid Up Capital	3,720.64	5,814.20	5,814.20
Reserves & Surplus	65,647.17	87,547.35	75,142.23
Sales and other income	2,13,274.84	2,68,088.01	2,43,304.01
Profit/loss after tax	9,207.76	10,396.87	(11,574.28)
NAV (in Rs.)	186.44	172.89	149.92

Financial Performance of Diamond Power Global Holdings Limited

Amount (in AED)

Particulars	December 31, 2012	December 31, 2013	December 31, 2014
Paid Up Capital	36,70,000	36,70,000	36,70,000
Revenue	Nil	Nil	8,029
Total Comprehensive Income/ (loss)	(23,143)	(6,155)	1,851

^{*} AED- United Arab Emirates Dirham

Financial Performance of Diamond Projects Limited

(Rs. In Lakhs)

Particulars	2012-13	2013-14	2014-15
Paid Up Capital	30.00	30.00	[•]
Reserves & Surplus	606.13	597.04	[•]
Sales and other income	508.72	606.24	[•]
Profit/loss after tax	6.02	(9.10)	[•]
NAV (in Rs.)	212.04	209.01	[•]

There can be no assurance that our Promoter or Group entity(ies), or any other ventures promoted by our Promoters, will not incur losses in any future periods, or that there will not be an adverse effect on our reputation or business as a result of such losses.

23. Our Group companies M/s. Madhuri Finserve Private Limited, M/s. Diamond Projects Limited, M/s. Apex Electricals Limited and M/s. Apex Power Equipment Private Limited have not made certain requisite filings/made delay in filings under various Statutory Acts applicable to it for the past few years.

Our Group companies M/s. Madhuri Finserve Private Limited, M/s. Diamond Projects Limited, M/s. Apex Electricals Limited and M/s. Apex Power Equipments Private Limited have not made certain requisite filings/made delay in filings under various Statutory Acts applicable to it for the past few years. Although they have not been furnished with any notices by the RoC any other statutory authority with respect to this non-compliance, we cannot guarantee that such Companies will not be subject to any penalties for the said violations in future. There can be no assurance that such non-compliances by our Group Companies may have an adverse impact on our reputation or business.

24. The Equity Shares of our Group Entity, M/s. Diamond Infosystems Limited were suspended from being traded on the Stock Exchange.

The Equity shares of our Group Entity, M/s. Diamond Infosystems Limited which are listed on BSE were suspended from being traded in the year 2002. However, such suspension was revoked in the year 2012. Our Directors, Mr Amir Bhatnagar and Mr. Sumit Bhatnagar were Directors of the aforesaid Company during such period of suspension. There can be no assurance that such non-compliances by our Group Entity may have an adverse impact on our reputation or business. Further,



such non- compliances may put our Directors in a position of default and may subject them to penalties as ma be applicable.

25. Our Group Entity, M/s. Apex Electricals Limited has been referred to the Board for Industrial and Financial Reconstruction (BIFR).

At present, our Group Entity, M/s. Apex Electricals Limited has been referred to the BIFR under The Sick Industrial Companies (Special Provisions) Act, 1985. Any adverse order from BIFR working against the interests of DPIL and M/s. Apex Electricals Limited may adversely affect their result of operations. Further, since our manufacturing facility at Padra, Vadodara is located at the premises taken on lease from M/s. Apex Electricals Limited, any adverse order may also affect our production and results of operations to that extent.

26. We have not registered our logo

under Trademarks Act, 1999.

We operate in an extremely competitive environment, where generating brand recognition is significant element of our business strategy. However, we have not yet made application for

registration of our logo under the Trademarks Act, 1999 and therefore we do not enjoy the statutory protection accorded to a registered trademark and are subject to the various risks arising out of the same, including but not limited to infringement or passing off our name and logo by a third party. As our logo is not registered, we would not enjoy the statutory protections accorded to a registered trademark and our ability to use our logo may be impaired. However, our Company is currently in the process of making a trademark application for registering the above depicted logo.

27. Our insurance coverage may not be adequate.

Our Company has obtained insurance coverage in respect of certain risks. Our significant insurance policies consist of standard fire and special perils (material damage), marine cargo and enterprise package. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like, housebreaking, terror attacks, etc. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

For further details, please refer chapter titled "Our Business" beginning on page 119 of this Draft Prospectus.

28. Our Company has not complied with the provisions of the Contract Labour (Regulation and Abolition) Act, 1970 and which can be subject to penalties and regulatory actions

Our Company has not complied with the provisions of the Contract Labour (Regulation and Abolition) Act, 1970 for the contract labourers which we have employed. Such non-compliance may render us liable to penalties and other regulatory actions under the Contract Labour (Regulation and Abolition) Act, 1970.

29. Compliance with, and changes in, safety, health and environmental laws and regulations may adversely affect our business, prospects, financial condition and results of operations.

Due to the nature of the our business, we expect to be or continue to be subject to extensive and increasingly stringent environmental, health and safety laws and regulations and various labor, workplace and related laws and regulations. We are also subject to environmental laws and regulations, including but not limited to:



- Environment (Protection) Act, 1986
- Air (Prevention and Control of Pollution) Act, 1981
- Water (Prevention and Control of Pollution) Act, 1974
- Hazardous Waste Management & Handling Rules, 2008
- other regulations promulgated by the Ministry of Environment and Forests and the Pollution Control Boards of the state of Gujarat

which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from the operations of our business.

The scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted and hence the costs and management time required to comply with these requirements could be significant. Amendments to such statutes may impose additional provisions to be followed by our Company and accordingly the Company needs to incur clean-up and remediation costs, as well as damages, payment of fines or other penalties, closure of production facilities for non-compliance, other liabilities and related litigation, which could adversely affect our business, prospects, financial condition and results of operations.

30. Our Company is yet to receive or apply for certain statutory approvals, licenses and clearance, which, if not, received, may adversely affect our business and financial condition.

Our Company is required to obtain various regulatory approvals and registrations for our operations to establish and operate our facilities, and registrations with the relevant tax and labor authorities in India. Failure to obtain and maintain any required approvals and registrations may have an adverse effect on our business, financial condition, results of operations and prospects.

If our Company fails to receive any of the approvals and/or licenses, our business, prospects, financial condition and results of operations may be adversely affected.

As on date of the Draft Prospectus, our Company has not yet obtained certain statutory and regulatory approvals, registrations and licenses such as registration of establishments under the Contract Labour (Regulation and Abolition) Act, 1970. Such non-compliance may result in proceedings against our Company and the Directors and such actions may adversely affect our operations.

31. Our inability to renew or maintain our statutory and regulatory permits and approvals required to operate our business would adversely affect our operations and profitability.

Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Our Company is required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals.

Failure to renew such registrations and approvals within statutory time frame attracts penal provisions. Further, such non-compliance may result in proceedings against our Company and the Directors and such actions may directly and immediately affect our operations and may have a material adverse effect on our revenues, profits and operations.

For details please refer to chapter titled— *Government and Other Statutory Approvals*" beginning on page 226 of this Draft Prospectus.



32. We employ contract labourers for carrying out our manufacturing process by way of entering into contracts for a fixed period, subject to renewal options. Any delay in renewals or non-renewal of contracts on time shall affect the manufacturing timeline and thereby affecting our revenue from operations.

Our industry being labour intensive, demands several labourers to maintain a smooth and stable production timeline. We employ contract labourers for carrying out our manufacturing process by way of entering into contracts for a fixed period, subject to renewal options. There can be no assurance that the relevant contractors will renew any of such contracts in time or at all. Any delay in renewals or non-renewal of contracts on time shall affect the manufacturing timeline and thereby affecting our revenue from operations. Further, these contracts are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions, which may lead to cancellation, revocation or termination of relevant contracts.

33. Any materialization of our contingent liabilities could adversely affect our financial condition.

We have certain contingent liabilities existing as at September 30, 2015 as described in on our Restated Financial Statements in accordance with the provisions of Accounting Standard – 29 – Provisions, Contingent Liabilities and Contingent Assets. In the event any such contingencies described were to materialize or if our contingent liabilities were to increase in the future, our financial condition could adversely affected. For further details, see the section entitled "Financial Statements" on page 167 of this Draft Prospectus.

34. Negative publicity with respect to our products or the industry in which we operate could adversely affect our business, financial condition and results of operations.

Our business is dependent on the trust our customers have in the quality of our products. Any negative publicity regarding us, our products i.e., transformers, transmission towers, wires and cables and industry generally could adversely affect our reputation and our results of operations. Challenges to the conflict-free status of these products used in our industry and sold by us may result in a negative change in consumer attitudes to transformers, transmission towers, wires and cables and could result in negative publicity, having a material adverse effect on our business, financial condition and results of operations.

35. Our success depends largely upon the services of our Directors, Promoters and other Key Managerial Personnel and our ability to attract and retain them. Demand for Key Managerial Personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.

Our success is substantially dependent on the expertise and services of our Directors, Promoters and our Key Managerial Personnel. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for Key Managerial Personnel in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

36. In addition to normal remuneration or benefits and reimbursement of expenses, some of our Directors and key managerial personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.

Our Directors and Key Managerial Personnel are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and Key Managerial Personnel may also be interested to the extent of their shareholding and dividend entitlement in our Company. For further information, see "Capital Structure" and "Our Management" on pages 73 and 205, respectively, of this Draft Prospectus.



37. Our Company has unsecured loans which are repayable on demand. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows.

As at September 30, 2015 our Company has unsecured loans amounting to Rs. 729.19 lakhs from related party that are repayable on demand to the relevant lender. Such loans are not repayable in accordance with any agreed repayment schedule and may be recalled by the relevant lender at any time. Any such unexpected demand or accelerated repayment may have a material adverse effect on the business, cash flows and financial condition of the borrower against which repayment is sought. Any demand from lenders for repayment of such unsecured loans, may adversely affect our cash flows.

For further details of unsecured loans of our Company, please refer 'Annexure VII' 'Details of Long Term Borrowings as Restated' of chapter titled "Financial Statements" beginning on page 167 of the Draft Prospectus.

38. Our lenders have charge over our movable and immovable properties in respect of finance availed by us.

We have secured our lenders by creating a charge over our movable and immovable properties in respect of loans / facilities availed by us from banks and financial institutions. The total amounts outstanding and payable by us as secured loans were Rs.10,492.54 lakhs as on September 30, 2015. In the event we default in repayment of the loans / facilities availed by us and any interest thereof, our properties may be forfeited by lenders, which in turn could have significant adverse affect on business, financial condition or results of operations. For further information on the Financial Indebtedness please refer chapter titled "Financial Indebtedness" on page 215 of this Draft Prospectus.

39. We are subject to certain restrictive covenants in debt facilities provided to us by our lenders. Our Company has not received "No-Objection" certificate from some of our lenders to undertake this Issue. Non receipt of such "No Objection" certificate could lead to non compliance of the terms of loan agreements entered into by our Company with said lenders.

We have entered into agreements for availing debt facilities from lenders. Certain covenants in these agreements require us to obtain approval/permission from our lenders in certain conditions. In the event of default or the breach of certain covenants, our lender has the option to make the entire outstanding amount payable immediately. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain consents necessary to take the actions that we believe are required to operate and grow our business.

Further, as on the date of the Draft Prospectus, we have not received "No Objection" certificates from the lenders. We cannot assure you that the lenders will grant us the "No-Objection" certificate for this Issue. Non-receipt of such "No Objection" certificate could lead to non-compliance of the terms of loan agreements entered into by our Company with the lenders.

For further details in this regard, including approvals obtained from our lenders for this Issue, please refer to chapter titled 'Financial Indebtedness' beginning on page 215 of this Draft Prospectus.

40. Our Promoters, group entities and shareholders have provided corporate and personal guarantees and securities to certain loan facilities availed by us, which if revoked or released may require alternative guarantees and securities, repayment of amounts due or termination of the facilities.

Our Promoters, group entities and shareholders have provided personal guarantees and securities in relation to certain loan facilities availed of by us. In the event that any of these guarantees are revoked or securities released, the lenders for such facilities may require alternate guarantees or securities, repayment of amounts outstanding under such facilities, or may even terminate such facilities. We may not be successful in procuring alternative guarantees or securities satisfactory to the lenders, and



as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which may not be available on acceptable terms or at all and any such failure to raise additional capital could affect our operations and our financial condition.

41. Certain agreements may be inadequately stamped or may not have been registered as a result of which our operations may be adversely affected.

Few of our agreements may not be stamped adequately or registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute due to non-compliance of local laws relating to stamp duty and registration may adversely impact the operations of our Company.

42. We will not receive any part of the proceeds from this Offer.

The Offer comprises of sale of 59,34,000 Equity Shares of our Company through an Offer for Sale by the Selling Shareholder i.e. by our Promoter Diamond Power Infrastructure Limited. The primary objects of the Offer are to achieve the benefits of listing our Equity Shares and carry out the divestment of Equity Shares by our Promoter.

43. Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Additionally, under some of our loan agreements, we may not be permitted to declare any dividends, if there is a default under such loan agreements or unless our Company has paid all the dues to the lender up to the date on which the dividend is declared or paid or has made satisfactory provisions thereof. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "Dividend Policy" on page 166 of this Draft Prospectus.

44. Our future funds requirements, in the form of fresh issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favourable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

45. Our Promoters will continue jointly to retain significant control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.

After completion of the Issue, our Promoters will collectively own 72.82% of the Equity Shares. As a result, our Promoters will be able to exercise a significant degree of influence over us and will be able to influence the outcome of any proposal that can be approved by a majority shareholder vote,



including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

46. Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.

Modernization and technology upgradation is essential to provide better products. Although we strive to keep our technology in line with the latest standards, we may be required to implement new technology or upgrade the existing employed by us. Further, the costs in upgrading our technology could be significant which could substantially affect our finances and operations.

47. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and cause serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

• Issue Specific Risks

48. There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

49. After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including:

- a. Volatility in the Indian and global capital market;
- b. Company's results of operations and financial performance;
- c. Performance of Company's competitors,
- d. Adverse media reports on Company or pertaining to the transformers, cables & wires Industry:
- e. Changes in our estimates of performance or recommendations by financial analysts;
- f. Significant developments in India's economic and fiscal policies; and



g. Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

50. The Offer price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Offer and the market price of our Equity Shares may decline below the offer price and you may not be able to sell your Equity Shares at or above the Offer Price.

The Offer Price of our Equity Shares has been determined by fixed price method. This price is be based on numerous factors (For further information, please refer chapter titled "Basis for Offer Price" beginning on page 94 of this Draft Prospectus) and may not be indicative of the market price of our Equity Shares after the Offer. The market price of our Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Offer Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.
- 51. You will not be able to sell immediately on Stock Exchange any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in the Draft Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

52. Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.

Any instance of disinvestments of equity shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

53. There are restrictions on daily/weekly/monthly movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares.



This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

EXTERNAL RISK FACTORS

• Industry Risks

54. Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.

Our business and industry is regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

55. We are dependent upon the growth prospects of the industries, which consume our products.

Our Company falls under the ambit of electrical sector of the manufacturing industry whose products have substantial demand from varied industries and their sub-sectors. Our products find application in various industries such as power generation, transmission and distribution, engineering, procurement and construction (EPC) Companies driven by various sub-sectors such as infrastructure, power, steel, automotives, oil and gas, consumer durables etc., cement, mines and minerals industries petrochemicals and fertilizers and software technology IT Parks. We thus cater to the requirements of these industries and any slowdown in the growth rate or downward trend in any of these industries directly impact our own growth prospects and may result in decline in profits and turnover of sales.

56. Decline in trend of the Indian Transformer Industry has a direct impact on our business.

As per a report prepared by Credit Analysis & Research Limited (CARE Ratings), over the past few years till FY14, entities in the Indian Transformer Industry witnessed decline in profitability and deterioration in debt coverage indicators. The key factors that led to subdue financial performance include huge transformer manufacturing capacity build-up, reduction in orders and surge in imports, increase in material costs, etc.

(Source: http://www.careratings.com/upload/NewsFiles/SplAnalysis/Indian%20transformer%20industry%20Stable%20outlook%20with%20a%20few%20signs%20of%20revival.pdf).

Our Company has been affected by this decline in industry profitability in the past and may continue to be affected by such decline if signs of revival are misinterpreted. Thus, any downward trend in this industry shall continue to have a direct impact on our growth prospects and may result in decline in profits and turnover of sales.

• Other Risks

57. The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs.

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related



to issue of capital, disclosures in prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. To ensure compliance with the requirements of the Companies Act, 2013, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention.

The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

58. You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realised on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax ("STT") has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax in India, if securities transaction tax has been paid on the transaction. Any gain realised on the sale of shares held for more than 36 months to an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realised on the sale of equity shares held for a period of 36 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, may be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

59. Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Draft Prospectus.

As stated in the reports of the Peer Reviewed Auditor included in this Draft Prospectus under chapter "Financial Statements as restated" beginning on page 167, the financial statements included in this Draft Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Draft Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Draft Prospectus. Accordingly, the degree to which the financial information included in this Draft Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Draft Prospectus should accordingly be limited.



60. Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include:

- custom duties on imports of raw materials and components;
- excise duty on certain raw materials and components;
- central and state sales tax, value added tax and other levies; and
- Other new or special taxes and surcharges introduced on a permanent or temporary basis from time to time.

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

61. The nationalized goods and services tax (GST) regimes proposed by the Government of India may have material impact on our operations.

The Government of India has proposed a comprehensive national goods and service tax (GST) regime that will combine taxes and levies by the Central and State Governments into a unified rate structure. Given the limited liability of information in the public domain covering the GST we are unable to provide/ measure the impact this tax regime may have on our operations.

62. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

63. We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and transformers, cables and wire industry contained in the Draft Prospectus.

While facts and other statistics in the Draft Prospectus relating to India, the Indian economy and the transformers, cables and wire industry has been based on various government publications and reports from government agencies that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled 'Our Industry' beginning on page 100 of the Draft Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.



64. Conditions in the Indian securities market may affect the price or liquidity of our Equity Shares.

The Indian securities markets are smaller than securities markets in more developed economies and the regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Further, the Indian stock exchanges have experienced volatility in the recent times. The Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading and limited price movements. A closure of, or trading stoppage on the SME Platform of BSE could adversely affect the trading price of the Equity Shares.

65. Global economic, political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.

Global economic, social and political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

66. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.

Under the foreign exchange regulations currently in force in India, transfers of shares between non-residents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

67. The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

68. Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.



Any adverse revisions to India's credit ratings for domestic and international debt by international rating agencies may adversely impact our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing may be available. This could have an adverse effect on our business and future financial performance, our ability to obtain financing for capital expenditures and the trading price of our Equity Shares.

69. Natural calamities could have a negative impact on the Indian economy and cause our Company's business to suffer.

India has experienced natural calamities such as earthquakes, tsunami, floods etc. in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

PROMINENT NOTES

- 1. Public Offer for Sale of 59,34,000 Equity Shares of face value of Rs. 10 each of Diamond Power Infrastructure Limited ("Selling Shareholder") for cash at a price of 20/- per Equity Share (including a share premium of 10/- per equity share) ("Offer Price") aggregating upto Rs. 1,186.80 Lakhs, of which 3,06,000 Equity Shares of face value of Rs. 10 each will be reserved for subscription by Market Maker to the Offer ("Market Maker Reservation Portion"). The Offer less the Market Maker Reservation Portion i.e. Net Offer of 56,28,000 Equity Shares of face value of Rs. 10 each is hereinafter referred to as the "Net Offer". The Offer and the Net Offer will constitute 27.00% and 25.61%, respectively of the post Offer paid up equity share capital of the Company.
- 2. Investors may contact the Lead Manager or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Offer. For contact details of the Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled "General Information" beginning on page 65 of this Draft Prospectus.
- 3. The pre-offer net worth of our Company was Rs. 2,204.48 Lakhs, Rs. 2,213.99 Lakhs, Rs. 6,270.42 Lakhs, Rs. 5,683.22 Lakhs, Rs. 5,665.95 Lakhs and Rs. 4,039.38 Lakhs as of September 30, 2015, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 respectively. The book value of each Equity Share was Rs. 22.04, Rs. 22.14, Rs. 62.70, Rs. 56.83, Rs. 56.66 and Rs. 40.39 as of September 30, 2015, March 31, 2015, March 31, 2014, March 31, 2013, March 31, 2012 and March 31, 2011 respectively as per the restated financial statements of our Company. For more information, please refer to section titled "Financial Statements" beginning on page 167 of this Draft Prospectus.

4. The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Diamond Power Infrastructure Limited	99,60,000	9.96
Diamond Power Transmission Private Limited	1,19,77,054	20.00

For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled "Capital Structure" beginning on page number 73 of this Draft Prospectus.

5. Our Company has entered into related party transactions during the previous years. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer *Annexure* "XXV" "*Related Party Transactions*" under chapter titled "*Financial Statements as restated*" beginning on page 167 of this Draft Prospectus.



- 6. Investors may note that in case of over-subscription in the Offer, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled "Offer Structure" beginning on page 248 of this Draft Prospectus.
- 7. Except as disclosed in the chapter titled "Capital Structure", "Our Promoter and Promoter Group", "Our Management" and "Related Party Transaction" beginning on pages 73, 155, 205 and 165 respectively, of this Draft Prospectus, none of our Promoters, Directors or Key Management Personnel has any interest in our Company.
- 8. Except as disclosed in the chapter titled "*Capital Structure*" beginning on page 73 of this Draft Prospectus, we have not issued any Equity Shares for consideration other than cash.
- 9. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.
- 10. Investors are advised to refer to the chapter titled "Basis for Offer Price" beginning on page 94 of the Draft Prospectus.
- 11. There are no financing arrangements whereby the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Draft Prospectus with the Stock exchange.
- 12. Our Company was originally formed and registered as a partnership firm under the Indian Partnership Act, 1932 under the name and style of "M/s Western Transformers", pursuant to a partnership deed. The name of the partnership firm was changed to "M/s Diamond Power Transformers" pursuant to Deed of Co-Partnery dated December 23, 2007. "M/s Diamond Power Transformers" was then converted into a public limited Company under part IX of the Companies Act, 1956 under the name of "Diamond Power Transformers Limited" and received a Certificate of Incorporation bearing Registration No. 052486 and Corporate Identity U31102GJ2007PLC052486 from the Registrar of Companies, Gujarat, and Dadra & Nagar Havelli on December 28, 2007. For further details please refer to chapter titled "Our History and Certain Other Corporate Matters" beginning on page 139 of this Draft Prospectus.
- 13. Except as stated in the chapter titled "Our Group Entities" beginning on page 160 and chapter titled "Related Party Transactions" beginning on page 165 of this Draft Prospectus, our Group Entities have no business interest or other interest in our Company.



SECTION III – INTRODUCTION SUMMARY OF INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any person connected with the Offer have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and accuracy, completeness and underlying assumptions are not guaranteed and their reliability can not be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Prospectus, including the information contained in the sections titled "Risk Factors" and "Financial Statements" and related notes beginning on page 16 and 167 respectively of this Draft Prospectus before deciding to invest in our Equity Shares.

INDUSTRY OVERVIEW

The Indian transformer industry is one of the oldest manufacturing segments in the country and is broadly categorised in to power and distribution transformers. The technology used is contemporary and two types of core materials are generally used. CRGO forms the major chunk of core material while amorphous metals used by limited numbers of manufacturers as core material but the usage is increasing.

India has always been an exporter of transformers and this avenue is set to become even more lucrative in the coming years. Exports from India are diverse including power transformers, distribution transformers and even special purpose transformers. It is estimated that around 15 per cent of India's production of power transformers is destined for international markets. With India proving its technological edge by producing even 1,200kV transformers, surpassing global standards, the country has a very bright future. It is not only developing African and Central Asian economies that are importing from India; India-made transformers are even finding their way in developed markets like USA, UK, Canada, South Africa etc.

India has been net exporter of transformers till now. Several of international players who already have base in India are looking forward to making their Indian setups as manufacturing base for supplying to other countries. The Indian transformer industry is gradually gaining prominence in developed markets on the basis of its quality and pricing.

The domestic transformer industry has the potential of becoming the manufacturing or sourcing hub for the supply of transformers in foreign markets.

The market is highly fragmented with a large number of small and medium enterprises involved in the manufacturing processes, and is dominated by organised players. The domestic manufacturing industry is fairly well established with manufacturers having capabilities to develop all type of transformers up to the 800 kV and 1,200 kV levels. The industry also exports to several countries including the US, South Africa, Cyprus, Syria & Iraq, apart from Europe.

(Source: http://www.eprmagazine.com/article.php?ItemId=778&CategoryId=4)

Cable and wire industry has established itself as one of the backbones of modern information age. The increasing importance for power, light and communication has kept demand high for wire and cable. This trend will continue as demand for reliable, efficient energy and data communications will strengthen the wire and cable industry. The industry is a volume driven product and has evolved from the unorganised to the organised sector.



GLOBAL ECONOMIC ENVIRONMENT

The global economic environment appears poised for a change for the better with the recent sharp fall in the international prices of crude petroleum, which is expected to boost global aggregate demand, and the sharp recovery in the US economy in the face of gradual withdrawal from monetary accommodation. Following the global crisis of 2008, the global economy came under a cloud of uncertainty and the prolonged weakness in the euro area, particularly since 2011, led to the (IMF) often revising global growth downwards in its World Economic Outlook (WEO). In its Update, published on 20 January 2015, the IMF projected the global economy to grow from 3.3 per cent in 2014 to 3.5 per cent in 2015 and further to 3.7 per cent in 2016. This downward revision from its October 2014 projections owed to the weaker economic prospects in China, Russia, the Euro area, Japan, and some major oil exporters because of the sharp drop in oil prices. The United States is the only major economy for which growth projections have been raised by 0.5 percentage point to 3.6 per cent for 2015. 4.3 In the case of emerging market and developing economies (EMDEs), which continue to struggle with tepid domestic demand and headwinds from structural impediments, the IMF Update projects growth to moderate to 4.3 per cent in 2015 and 4.7 per cent in the year 2016.

Going forward, the lower oil price is likely to be more positive for the EMDEs that account for more than half of the global output (purchasing power parity terms) given their higher contribution to global growth with inflation remaining anchored. This might lead to a better outcome than projected. A sudden correction in financial markets and downside risks to growth with a possible further slowdown in the euro area along with the likely duration of the oil price supply shock effect, are some of the concerns that linger on.

(Source: Economic Survey 2014-15 - Volume II; www.indiabudget.nic.in)

THE INDIAN ECONOMY

India is set to become the world's fastest-growing major economy by 2016 ahead of China, the International Monetary Fund (IMF) said in its recent latest forecast. India is expected to grow at 6.3 per cent in 2015, and 6.5 per cent in 2016 by when it is likely to cross China's projected growth rate, the IMF said in the latest update of its World Economic Outlook.

India's macro-economic prospects have strengthened and the country is best positioned among emerging market economies, gaining global investor's attention, says a report by ICICI Bank. The improvement in India's economic fundamentals has accelerated in FY2015 with the combined impact of a strong Government mandate, RBI's inflation focus supported by benign global commodity prices.

(Source: India Brand Equity Foundation; <u>www.ibef.org</u>)

OUTLOOK FOR GROWTH

In the coming year, real GDP growth at market prices is estimated to be about 0.6-1.1 percentage points higher vis-a-vis 2014-15. This increase is warranted by four factors. First, the government has undertaken a number of reforms and is planning several more. Cumulative growth impact of these reforms will be positive. A further impetus to growth will be provided by declining oil prices and increasing monetary easing facilitated by ongoing moderation in inflation. Simulating the effects of tax cuts, declining oil prices will add spending power to households, thereby boosting consumption and growth. Oil is also a significant input in production, and declining prices will shore up profit margins and hence balance sheets of the corporate sector. Declining input costs are reflected in the wholesale price index which moved to deflation territory in January 2015.

Further decline in inflation and the resulting monetary easing will provide policy support for growth both by encouraging household spending in interest-sensitive sectors and reducing the debt burden of firms, strengthening their balance sheets. The final favourable impulse will be the monsoon which is forecast to be normal compared to last year. Using the new estimate for 2014-15 as the base, this implies growth at



market prices of 8.1-8.5 per cent in 2015-16. The power of growth to lift all boats will depend critically on its employment creation potential.

(Source – Economic Survey 2014-2015 - Volume I; www.indiabudget.nic.in)

OUTLOOK FOR REFORMS

In the months ahead, several reforms will help boost investment and growth. The budget should continue the process of fiscal consolidation, embedding actions in a medium-term framework. India's overall revenue-to-GDP ratio (for the general government) for 2014 is estimated at 19.5 per cent by the IMF. This needs to move toward levels in comparator countries—estimated at 25 per cent for emerging Asian economies and 29 per cent for the emerging market countries in the G-20.

Since assuming office in May 2014, the new government has undertaken a number of new reform measures whose cumulative impact could be substantial. These include:

- Deregulating diesel prices, paving the way for new investments in this sector;
- Raising gas prices from US\$ 4.2 per million British thermal unit to US\$ 5.6, and linking pricing, transparently and automatically, to international prices so as to provide incentives for greater gas supply and thereby relieving the power sector bottlenecks;
- Taxing energy products. Since October, taking advantage of declining oil prices, the excise tax on diesel and coal was increased four times. In addition to resulting in collections of about 70,000 crore (on an annualized basis), this action will have positive environmental consequences;
- Replacing the cooking gas subsidy by direct transfers on a national scale;
- Instituting the Expenditure Management Commission, which has submitted its interim report for rationalizing expenditures;
- Passing an ordinance to reform the coal sector via auctions;
- Securing the political agreement on the goods and services tax (GST) that will allow legislative passage of the constitutional amendment bill;
- Instituting a major program for financial inclusion—the Pradhan Mantri Jan Dhan Yojana under which over 12.5 crore new accounts have been opened till mid-February 2014;
- Continuing the push to extending coverage under the Aadhaar program, targeting enrollment for 1 billion Indians; as of early February, 757 million Indians had been bio-identified and 139-Aadhaar linked bank accounts created;
- Increasing FDI caps in defense;
- Eliminating the quantitative restrictions on gold;
- Passing an ordinance to make land acquisition less onerous, thereby easing the cost of doing business, while ensuring that farmers get fair compensation;
- Facilitating Presidential Assent for labour reforms in Rajasthan, setting an example for further reform initiatives by the states; and consolidating and making transparent a number of labour laws; and
- Passing an ordinance increasing the FDI cap in insurance to 49 percent. Commencing a program of disinvestments under which 10 percent of the government's stake in Coal India was offered to the public, yielding about 22,500 crore, of which 5,800 crore was from foreign investors;
- Passing the Mines and Minerals (Development and Regulation) (MMDR) Amendment Ordinance, 2015 is a significant step in revival of the hitherto stagnant mining sector in the country. The process of auction for allotment would usher in greater transparency and boost revenues for the States.

(Source: Economic Survey 2014-15 – Volume I; www.indiabudget.nic.in)



ROAD AHEAD

The International Monetary Fund (IMF) and the World Bank in a joint report have forecasted that India will register a growth of 6.4 per cent in 2015, due to renewed confidence in the market brought about by a series of economic reforms pursued by the government.

Only India is anticipated to witness better growth momentum among the BRIC bloc whereas other member countries are expected to see stable growth momentum, according to Organisation for Economic Cooperation and Development (OECD).

India could become the world's seventh biggest nation in terms of private wealth, with a 150 per cent increase in total, from US\$ 2 trillion in 2013 to US\$ 5 trillion in 2018, as per a recent study by the Boston Consulting Group (BCG). Furthermore, the new 'Make in India' initiative is expected to be a vital component in India's quest for achieving wholesome economic development.

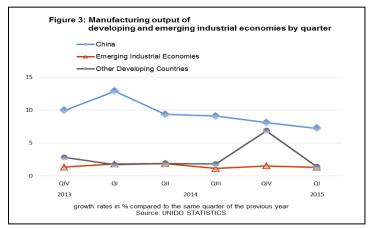
References: Press Information Bureau (PIB), Media Reports, Department of Industrial Policy and Promotion (DIPP), Securities and Exchange Board of India (SEBI)

(Source: India Brand EquityFoundation; www.ibef.org/archives/detail/b3ZlcnZpZXcmMzY5NDgmODQ)

GLOBAL MANUFACTURING SECTOR

The recent trends in world manufacturing have been characterized by a mixture of strengthening and weakening factors such as a sharp decline in oil prices, a significant decrease in the value of the euro, a dramatic increase in the value of the US dollar, continued slowdown in China, and geopolitical and European market uncertainty. Countries' growth rates diverged depending on the nature of the impact of the abovementioned factors on the national economy.

Global manufacturing output increased by a moderate rate of 2.8 per cent in the first quarter of 2015 from 3.3 per cent in the previous quarter. The outlook for Asia's developing and emerging economies looks much better than that of the other developed regions. In contrast to the decelerating trends of other emerging industrial economies, India's manufacturing growth has increased significantly. It rose by 3.6 per cent due to improvements in investment conditions and growing demand. Among the ASEAN economies, the manufacturing output of Indonesia rose by 5.0 per cent and Viet Nam's by 9.0 per cent.



(Source: World Manufacturing Production- Statistics for Quarter I, 2015; www.unido.org)

INDIAN MANUFACTURING SECTOR

India is largely moving towards high-end manufacturing with the Government announcing multiple reforms and policies in the sector. Indian manufacturing industry is largely driven by low-cost, skilled labour, adequate land laws and reasonable cost of capital. McKinsey and Co believes that India's



manufacturing sector has the potential to create up to 90 million jobs by 2025. Today, the sector generates about 45 million jobs, 80 per cent of which are in the unorganised segment.

India is increasingly adopting global approach to become a strategic player on international platform. Entry of foreign companies in manufacturing industry has anchored technology-based orientation which is subsequently helping India create a core and contemporary manufacturing sector, fed by ancillary manufacturers that rely on simple technical skills.

Deloitte's global index, 2013, for 38 nations, has ranked India the fourth most competitive manufacturing nation, behind China, the US and Germany. Not only this, but even the Global Manufacturing Competitiveness Index, 2013, based on a survey of CEOs, executives and other officials of 550 global manufacturing companies, has positioned India as second five years down the line, next only to China.

With launch of the 'Make in India' initiative, Mr Narendra Modi, the Prime Minister of India, aims to give global recognition to the Indian economy and also place India on the world map as a manufacturing hub.

India has also set for itself an ambitious target of increasing the contribution of manufacturing output to 25 per cent of gross domestic product (GDP) by 2025, from 16 per cent currently.

India's economy is expected to grow at 7.4 per cent in 2014-15 as per a Government forecast. According to a new formula which uses 2011-12 as the new 'base year', the revised statistics showed inflation-adjusted economic growth rate for October-December 2014 at 7.5 per cent, making India the fastest growing major economy in the world.

MARKET SIZE

Business conditions in the Indian manufacturing sector continued to improve in January 2015 fuelled by accelerated growth of output, marking the third straight month of expansion on the HSBC Services Purchasing Managers' Index (PMI). The PMI rose to 52.4 points in January 2015 from 51.1 in December 2014. The composite PMI that combines both services and manufacturing sectors rose to 53.3 points in January 2015 from 52.9 in the previous month.

India's manufacturing sector could touch US\$ 1 trillion by 2025, according to a report by Mckinsey and Company. There is potential for the sector to account for 25-30 per cent of the country's GDP and create up to 90 million domestic jobs by 2025.

ROAD AHEAD

The Government of India has an ambitious plan to locally manufacture as many as 181 products. The move could help infrastructure sectors such as power, oil and gas, and automobile manufacturing that require large capital expenditure and revive the Rs 1.85 trillion (US\$ 29.74 billion) Indian capital goods business.

India is an attractive hub for foreign investments in manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country.

With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

(Source: India Brand Equity Foundation; http://www.ibef.org/industry/manufacturing-sector-india.aspx)

POWER SECTOR IN INDIA

Power or electricity is one of the most critical components of infrastructure affecting economic growth and well-being of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy.



The Indian power sector is one of the most diversified in the world. Sources for power generation range from conventional ones such as coal, lignite, natural gas, oil, hydro and nuclear power to other viable non-conventional sources such as wind, solar, and agriculture and domestic waste. The demand for electricity in the country has been growing at a rapid rate and is expected to grow further in the years to come. In order to meet the increasing requirement of electricity, massive addition to the installed generating capacity in the country is required.

GOVERNMENT INITIATIVES

The Government of India has identified the power sector as a key sector of focus to promote sustained industrial growth.

The RE-INVEST 2015 which concluded on February 17, 2015, is a significant step in making India self-reliant in energy. The three day RE-INVEST 2015 received 2,800 delegates participating from 42 countries and saw green energy commitments worth 266,000 MW.

Some of the initiatives taken by the Government of India to boost the power sector of India are as follows:

- A Joint Indo-US PACE Setter Fund has been established with a contribution of US\$ 4 million from each side to enhance clean energy cooperation.
- The Government of India has announced a massive renewable power production target of 175,000 MW by 2022, comprising 100,000 MW from solar power, 60,000 MW from wind energy, 10,000 MW from biomass and 5,000 MW from small hydro power projects.
- The Union Cabinet of India has approved 15,000 MW of grid-connected solar power projects of National Thermal Power Corp Ltd (NTPC).
- The Indian Railways has signed a bilateral power procurement agreement with the Damodar Valley Corporation (DVC). The agreement was signed between North Central Railway and DVC. This is the first time the railways will directly buy power from a supplier.
- US federal agencies have committed a total of US\$ 4 billion for projects and equipment sourcing, one of the biggest deals for the growing renewable energy sector in India.
- A memorandum of collaboration (MoC) was signed in New Delhi on January 20, 2015 between the Indian Institutes of Technology (IITs) and Oil & Natural Gas Corporation (ONGC) to work towards a collective research and development (R&D) programme for developing indigenous technologies to enhance exploration and exploitation of hydrocarbons and alternate sources of energy.

ROAD AHEAD

The Indian power sector has an investment potential of Rs 15 trillion (US\$ 237.35 billion) in the next 4-5 years, providing immense opportunities in power generation, distribution, transmission and equipment.

The immediate goal of the government is to produce two trillion units (kilowatt hours) of energy by 2019. This will mean doubling the current production capacity in order to achieve provide 24x7 electricity for residential, industrial, commercial and agriculture use.

(Source: India Brand Equity Foundation; www.ibef.org)

ELECTRICAL AND ELECTRONIC SECTOR

Introduction

Electronics Systems Design and Manufacturing sector comprises semiconductor design, high-tech manufacturing, electronics and electrical components, electronics manufacturing services and electronics systems design for consumer electronic products, telecom products and equipment, IT systems and hardware and other segments. Electronics, along with Information and Communications Technology, is considered a meta-resource: the competitiveness of various industries often depends on their ability to



integrate ICTE in their business processes. At 1.75 Trillion, Electronics is the largest and the fastest growing manufacturing industry in the world. It is expected to reach USD 2.4 Trillion by 2020.

Key objectives

The key objectives for the ESDM Sector are:

- To achieve domestic production of USD 122 Billion by 2017 (growth of 30per cent)
- To ramp up domestic value addition in ESDM manufacturing

Key challenges

The key challenges faced by the sector are:

- Competition from China: India's biggest competition in the sector is from China which has achieved significant economies of scale and has a highly subsidized operating environment which is largely opaque.
- Zero Duty Regime: As a signatory to the Information Technology Agreement-1 (ITA-1) of the World Trade Organization (WTO), India has implemented zero duty regime on 217 product lines. Under the Free Trade Agreements (FTAs) and Preferential Trade Agreement (PTAs) with various countries, the import of electronics hardware from these countries is allowed at a duty which is lower than the normal duty rate.
- Disability Costs in local Manufacturing: Infrastructure, Power and Finance issues pose significant
 challenges to Indian manufacturing. Infrastructure challenges arise from poor supply chain
 logistics and inadequate ready availability of land. The finance costs in India are typically 5 to 6
 points above international rates. Power supply is, in several parts, inadequate, unreliable and
 costly. High transaction costs due to stringent rules and regulations, complex administrative
 processes also add to the disability costs.
- Diversity and Velocity of Technological Change: Electronics is pervasive and spans all sectors. Therefore the development of the sector involves domain knowledge of each of the sectors which it serves. The half-life of technologies in the sector has been continuously reducing. Currently it is estimated to be even less than six months in certain verticals. Convergence between different technologies, devices, software and hardware are also driving technology changes.

(Source: The manufacturing plan- Planning commission of India; www. planningcommission.gov.in)

INDIAN TRANSFORMER INDUSTRY

Stable Outlook

The Indian Electrical Equipment (IEE) industry, which includes power generation and transmission & distribution (T&D) equipment, is estimated to be worth Rs.1.40 lakh crore in FY15 (FY refers to the period April 1 to March 31). The transformers sub-segment comprises around 10% of the total Indian Electrical Equipment industry and had an aggregate installed capacity of around 4.20 lakh mega volt ampere (MVA) as on March 31, 2015.

Over past few years till FY14, entities in the Indian Transformer Industry witnessed decline in profitability and deterioration in debt coverage indicators, as depicted in exhibit 1. However, FY15 witnessed a reversal in profitability trend with a marginal improvement over FY14.



Financial performance of transformer manufacturers

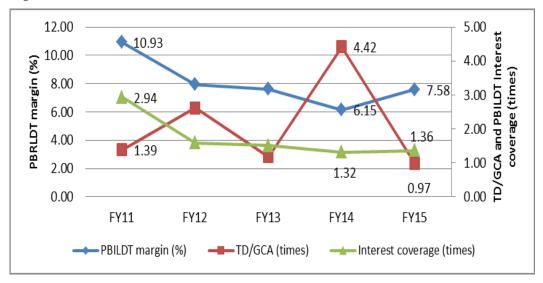


Exhibit 1- Note: Median financial parameters of listed transformer manufacturers, which form around 85% of the industry in terms of turnover for FY14, have been considered

Key factors that led to subdued financial performance:

1. Huge transformer manufacturing capacity build-up

Government of India (GoI) planned huge power generation capacity addition for 10th and 11th five year plans (FYP). However, the addition lagged behind the targets, mainly due to delays in land acquisition, environmental and forest clearance issues, uncertainty over fuel linkage and tightening of credit flow. The domestic transformer manufacturing entities almost doubled their manufacturing capacity to around 4 lakh MVA at the end of 11th FYP, based on expected addition in power generation capacity. However, with lower capacity additions in generation sector, the transformer manufacturing capacities remained underutilized. Considering requirement of 7 MVA of transformers for 1 MW of power generation, the present transformer manufacturing capacity could suffice an annual domestic power generation capacity addition of around 60 GW.

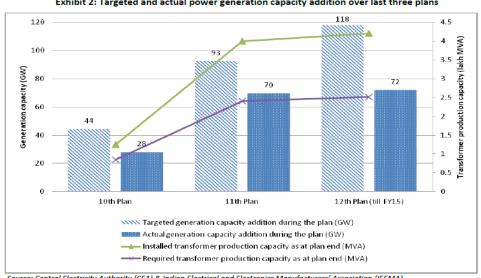


Exhibit 2: Targeted and actual power generation capacity addition over last three plans

Source: Central Electricity Authority (CEA) & Indian Electrical and Electronics Manufacturers' Association (IEEMA)



As depicted above, over past three FYPs, the installed capacity exceeded the required capacity, leading to heightened competition, lower profitability and lower cash accruals.

2. Reduction in orders and surge in imports

Apart from slippage in power generation capacity addition, a slowdown in investment cycle and weak financial health of the state power utilities affected the demand for transformers and resulted in lower order inflows. High AT&C1 losses of around 25%2, is one of the reasons for weak financial health of state power utilities, which has affected their ability to execute their capex plans fully.

Furthermore, imports of transformers in India increased over past few years, as depicted in exhibit 3. Reduced order flow alongwith increase in imports, mainly in higher KV class, adversely impacted plant utilization. Majority imports were from China, which comprised 39% of total FY14 imports. Competitiveness of Chinese transformer manufactures is mainly due to subsidized material prices, export incentives and low cost of funds.

3. Increase in material costs

Price of copper, which is a key raw material forming around 30-35% of total transformer cost has increased over the years, as depicted in exhibit 3.

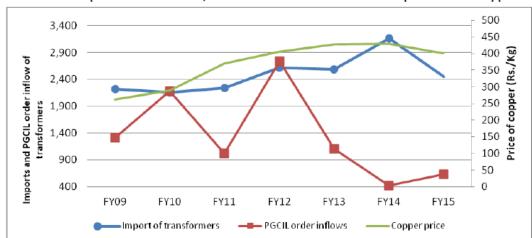


Exhibit 3: Imports of transformers, transformers orders from PGCIL and price trend of copper

Source: Ministry of Commerce and Industry, Gol, Capitaline and Index Mundi

Furthermore, cold rolled grain oriented (CRGO) steel, another key raw material forming around 20% of the total transformer cost is fully imported in India with no domestic manufacturing facility. Hence, the transformer manufacturers remain susceptible to forex movements. To address concerns related to high transformer failures rates, GoI introduced 'Steel Quality Order' in 2012 to mandate the use of Bureau of Indian Standards (BIS) certified CRGO. However, the order does not apply to imported transformers or laminated cores, which results in lack of level playing field for domestic manufacturers vis-à-vis their global counterparts.

4. Increase in working capital borrowings and high working capital intensity

Lower cash accruals, delayed payments from clients including state power utilities and private players and delays in project execution resulted in tightening of liquidity, as reflected by an increase in the median gross operating cycle4 of listed transformer manufactures from 166 days in FY11 to 240 days in FY14. This was largely funded through incremental bank borrowings in light of lower accruals. As a result, the median overall gearing also increased from 0.27x as at the end of FY11 to 0.60x as at the end of FY14. Further, the operations of manufacturers in India are more working capital intensive vis-à-vis their global counterparts, mainly due to relatively higher inventory holding and receivable period, lack of adequate mobilization advances5 and absence of adequate price variation clauses in contracts. Average inventory holding and receivable period in India is around 75-80 days and 125-135 days respectively, as



against a global average of 50-55 days and 55-75 days. This is mainly due to lack of product standardization, delays in processes of testing and issuance of completion certificates and delays in receipt of payments. Deterioration in performance also adversely affected the credit quality of transformer manufacturers, as indicated by a modified credit ratio (MCR)6 of 0.75 in FY14.

SIGNS OF REVIVAL

- After a subdued performance over the past few years, the transformer industry witnessed improvement in the median PBIDT margin and debt coverage indicators in FY15 (exhibit 1). This was mainly due to a pick-up in the order inflows and moderation in raw material prices.
- Power generation and transformation capacity addition picked up in FY15, as depicted in exhibit 4, which resulted in higher order inflow. Also the orders from Power Grid Corporation of India Ltd (PGCIL; the central transmission utility of India) increased by 50% y-o-y to Rs.630 crore in FY15.
- The credit quality of transformer manufacturers also improved as reflected in the MCR of 1.00 in FY15 as against 0.75 in FY14.

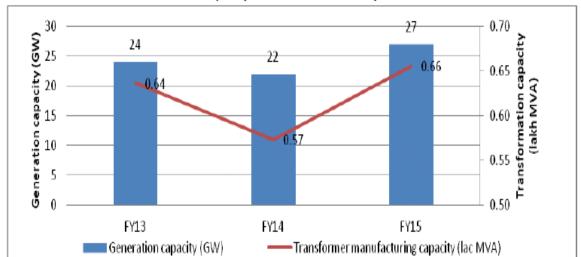


Exhibit 4: Power capacity addition in first three years of 12th FYP

Source: CEA

KEY GROWTH DRIVERS

1. Investments planned in power sector:

India is expected to add 278 GW of generation capacity in the next seven years till FY22 including conventional and non-conventional energy sources. A total investment of Rs.13.73 lakh crore is planned for the power sector for 12th FYP, which is likely to fuel the demand for transformers.

Expected order inflow for transformers for FY16 and FY17 is calculated through below three methods:

• Orders based on targeted power generation capacity addition:

Orders for transformers are based on requirement of 7 MVA transformers for 1 MW of power generation capacity. Considering the realizations of leading transformer manufacturers in the industry for different KV class transformers, orders of around Rs.13,070 crore are expected to materialize in FY16 and FY17 each.



• Orders based on capex from Power Grid Corporation India Limited and State Transmission & Distribution utilities:

PGCIL has an annual investment plan of Rs.22,500 crore and the share of transformers is expected at 7%, as per CARE estimates. Further, the aggregate annual capex plans of the state power distribution utilities (discoms) and power transmission utilities (transcos) is expected to be around Rs.76,348 crore each during FY16 and FY17, if the same remains in line with FY15. However, considering the capex materialization rate of 11th FYP and track record of share of transformers in total orders, orders of around Rs.14,794 crore from discoms and transcos are expected to materialize in FY16 and FY17 each.

• Orders based on total investment planned in T&D sector in 12th FYP:

GoI has planned an investment of Rs.1.80 lakh crore for transmission and Rs.3.06 lakh crore for distribution sectors in the 12th FYP. Considering the capex materialization rate of 11th FYP and track record of share of transformers in total orders, orders of around Rs.14,024 crore for distribution and transmission sectors is expected to materialize in FY16 and FY17 each.

• Exports and replacement demand:

Exports for FY16 and FY17 are expected to be in line with FY15. Further, the transformers installed during 1985-90 are expected to be replaced during 12th FYP, considering average transformer's life of 25 Years.

Exhibit 5: Expected annual transformer orders for next two years till FY17

Sr. No.	Method description	Expected annual order value (Rs. crore)
1	Targeted power generation capacity addition	13,070
2	Capex from PGCIL and State T&D utilities	14,794
3	Total investment planned in T&D sector in 12 th FYP	14,024
	Expected annual order inflow	~ 14,000

Considering the above, demand of transformers is likely to sustain with an annual order inflow at around Rs.14,000 crore each for FY16 and FY17.

2. Development of inter-regional capacity

GoI plans to increase the inter-regional power transfer capacity from 28 GW at the end of 11th FYP to 66 GW at the end of 12th FYP. India's cross-border electricity transmission interconnection with Bangladesh, Nepal, Bhutan and Sri-Lanka is also being expanded, which is likely to boost the demand for transformers. Further, according to the Indian Energy Exchange, congestion between western and southern region transmission corridor restricted the transfer of electricity in southern region in March 2015. Thus, the integration of southern grid to national grid is expected to open up opportunities for equipment suppliers in T&D sector including transformers.

3. Export potential

Export of transformers is expected at around 20% of FY15 aggregate turnover of Indian transformer industry. The global annual transformer orders are expected to be in the range of Rs.1.86 to Rs.1.90 lakh crore9 over the next few years. Indian transformer manufacturers have a nominal share of around 1.61% in the global demand and thus exhibit a good export potential, mainly in the lower kV segment.

(Source: http://www.careratings.com/upload/NewsFiles/SplAnalysis/Indian%20transformer%20industry%20Stable%20outlook%20with%20a%20few%20signs%20of%20revival.pdf)



CONCLUSION

The large transformer segment is dominated by multinationals and large sized Indian companies as capital requirement is high due to high level of technology and sophisticated manufacturing and testing facilities. Distribution transformer segment is concentrated with small scale sector. The industry is currently operating at about 60 per cent capacity as the government projected demand has not materialised fully. However, more and more players are entering this segment. The industry witnessed large level of imports from countries like China, Korea etc.

The transformer market in India has been in a healthy state for quite some years now. The market is further expected to witness healthy growth rates and stimulating demand for the coming years. The initiatives undertaken by the Indian government along with the need of replacement of transformers installed in the earlier years is expected to drive growth in the Indian transformers market.

With new government taking over under leadership of Narendra Modi, we are all expecting that country shall be on a growth trajectory and power sector in specific, would be one of the prime beneficiaries in view to fulfil people's aspirations for round the clock supply and act as a catalyst to promote industry and agriculture output to stimulate growth. It is expected and desired in due earnest that above indicators will change drastically.

(Source: http://www.eprmagazine.com/article.php?ItemId=778&CategoryId=4)

CABLE AND WIRE INDUSTRY

Cable and wire industry has established itself as one of the backbones of modern information age. The increasing importance for power, light and communication has kept demand high for wire and cable. This trend will continue as demand for reliable, efficient energy and data communications will strengthen the wire and cable industry. The industry is a volume driven product and has evolved from the unorganised to the organised sector.

With cabling being a necessary component across industries, manufacturers produce multitude of cables such as power cables, fire safe cables, single cores, multi cores and data cables. According to Global Industry Analysts Inc., the wire and cable industry is expected to generate \$ 113.9 billion by the year 2015.

In India, while the wire and cable industry is moving over the last 20 years from unorganised to organised sector, around 35 per cent of the industry is still in the unorganised sector. There are multiple players in the market, including Indian as well as international, and the Indian market consists of both branded and unbranded cables. Cables and wires are also imported to meet the ever growing requirement. The wire and cable industry comprises 40 per cent of the electrical industry within the next 5 years, this will be double.

(Source: Electrical & Power Review; www.eprmagazine.com)

Cables and wires are used for transmitting power, signals, and also in various industries. They are widely used across various end-use segments including residential, commercial, and industrial purposes. The growth of global cables and wires market is primarily driven by the growth of the IT and communication industry where cables and wires play a vital role in transmitting power.

The growing demand for wire and cables across various end-use industries such as IT and telecommunication is one of the major factors driving the market for wire and cables. However, the volatility in raw material prices is acting as one of the major concerns for various players operating in the global market for cables and wires.



Cables are one of the basic inputs therefore they are very critical for the entire industrial sector. Whether made of copper, aluminium or other non-ferrous materials - cables and wires play decisive role in our daily lives and in almost every industry. Cables are used by Power, Steel, Cement, Refineries, Petro-Chemicals, Fertilizers and Communication Sector as well as Railways including Metro Rail.

The Indian cable industry is highly fragmented with large number of cable producers. Many of these companies are small-scale cable producers, the smallest of which are family-run operations which use the most basic production equipments. There has been very limited consolidation amongst the major players in the industry. The tendency of cable companies to grow organically, rather than by acquisition of competitors, means that no dominant groups have emerged in the industry.

Historically, the demand in the cable industry has been characterized by its cyclical pattern. The sector witnessed sustained market depression during the period 1998-2003 and since then the industry is on the upswing.

(Source: Department of Industrial Policy & Promotion annual report 2004-05, 2005-06 and 2006-07)



SUMMARY OF BUSINESS

Overview

Our Company, Diamond Power Transformers Limited is primarily engaged in manufacturing of power and distribution transformers and transmission towers. Alongwith manufacturing of transformers and transmission towers, we also undertake trading of cables and conductors.

Incorporated in 2007, by conversion of a partnership firm "M/s. Diamond Power Transformers (formerly known as Western Transformers)" our Company is one of the well known name in heavy electrical industry in Gujarat. Western Transformers was originally promoted by Mr. Narendra Bhut and his family members. In 2007, Diamond Power Infrastructure Limited (formerly known as Diamond Cables Limited) joined in as a partner in the said firm making a change in control. Currently, we are jointly promoted by Diamond Power Infrastructure Limited, the flagship Company of esteemed Diamond Group and by Diamond Power Transmission Private Limited. Our Company forms part of the esteemed Diamond Group, which is an established name in electrical industry. The Group being a major player in the electrical industry, has helped us established our brand and build up reputed client base.

At present, our Company operates through two manufacturing facilities in Vadodara, of which one is situated at Ranoli and the other at Padra. Our manufacturing facility at Ranoli is spread over an area of 2,312.56 square metres and is engaged in manufacturing of distribution transformers. This unit is utilised to manufacture distribution transformers upto 33kV, 500 KVA. Our other manufacturing facility, located at Padra is spread more than over an area of 9,000.00 square metres and is engaged in manufacturing of power transformers, distribution transformers and transmission towers. This facility generally undertakes manufacture of power transformers upto the range of 220kV, 315 MVA. Both our manufacturing facilities are well equipped with infrastructural, technical and in-house engineering facilities to enable us to comply with qualitative standards.

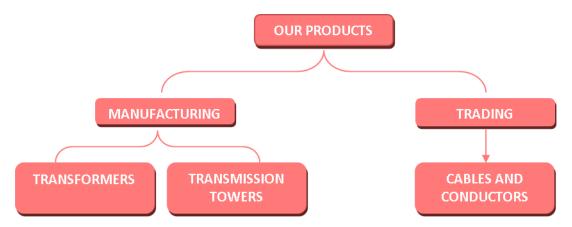
Our qualified management, in-house technical and design expertise, skilled workforce and well equipped manufacturing facilities enable us to manufacture a range of transformers such as power transformers, furnace duty transformers, distribution transformers, generator transformers, etc. to meet diverse client requirements. With capabilities to design and manufacture a comprehensive range of power and distribution transformers, we have manufactured over 50,000 transformers of various ratings based on the inherent design data. Our sales model is divided into 2 parts, i) making sales by subscribing and fulfilling of tenders invited by Electricity Companies operated by state governments and ii) by selling to corporates across diverse industries. Apart from supplying products domestically, we also export our products to various countries.

With a vision to become one of the largest transformers manufacturers, focus on delivering qualitative products, continued government support, experience of our Promoters and dedication of our employees we aim to expand our operations on PAN India basis.



OUR PRODUCTS

Our Company is engaged in both manufacturing and trading activities. On the basis of these activities, our products can be classified as follows:



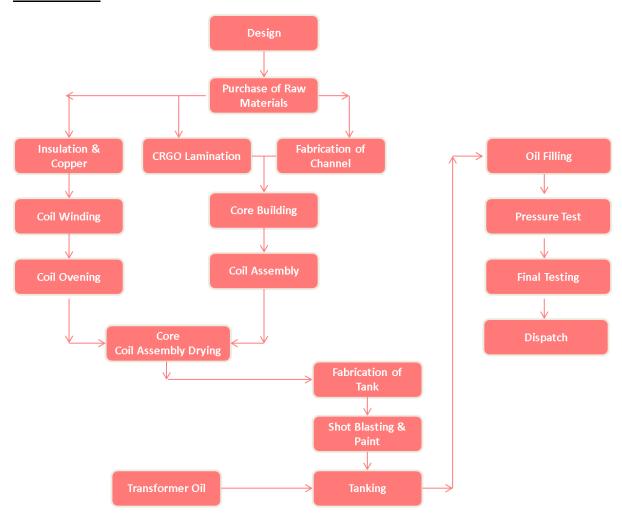
A brief description of the products is given below:

Power Transformers	Our Company manufactures a range of power transformers suitable for substations, generation set-up and auto transformers. We manufacture such types depending on customer requirement and area of application such as Furnace Duty Transformers, Single Phase Track Side Transformers, Dry Type Transformers, Generator Transformers, Unit Auxiliary Transformers, Solar/Wind Energy Duty Transformers.
Distribution Transformers	Our Company manufactures a range of customised distribution transformers, suitable for use in residential, commercial and industrial applications. In general, we manufacture 4 Star Energy Saving Transformers and Station Transformers.
Transmission Towers	A transmission tower is a tall structure, usually a steel lattice tower, used to support an overhead power line. Transmission Towers are designed to withstand the roughest of weathers. Sturdily built and technically superior in quality, these towers can perform in the most demanding of conditions.
Cables and conductors	Our Company also undertakes trading of cables and conductors.



OUR MANUFACTURING PROCESS

Transformers



Our manufacturing process can be enumerated in the following steps:

Design

Design is an initial part of our manufacturing process and forms an integral part of it. Design of the transformers is decided as per customer requirement. It is finalized in consultation with the customer.

Receipt of Raw Materials

CRGO laminations, M.S. tanks, aluminium, copper, insulation material, transformer oil, etc are our basic raw material. These materials are either inspected at supplier's place or at the unit. Once inspected and approved, the same can be utilised for production.

Core Building

Core Building is done manually by labourers. CRGO (Cold Rolled Grain Oriented) material is used for assembling Core. CRGO material is cut into pieces with specific length and breadth and is manually



placed in a square form to build the cruciform core. After the formation, the overall dimensions of core are checked and confirmed.

Copper/Aluminium Winding

Low voltage coils are made using MPC Copper/Aluminium as required. High Voltage coils are made from MPC copper or aluminium, round or flat conductor. The windings are made exact as per the design data and inspected before use. Aluminium Winding is generally done in Distribution Transformers while Copper is used in Distribution as well as Power Transformers. A proper insulation is done by wrapping the wires and strips with insulation paper.

Assembly and Connections

Low voltage and high voltage windings are assembled on core with the use of hardwood and pressboard insulation. HV/LV delta/star connections, HV series connections are made. Whenever tapping is involved, tapping switch/ OLTC connections are made.

Ovening

The completely assembled unit after all connections is the dried in air drying oven till desired IR value is achieved.

Tanking & Oiling

M.S. tank is fabricated from M.S. plates as required. Tank shall be short blasted and painted from inner and outer surface with suitable anticorrosive paints. After ovening the windings are pressed and final dimensions are achieved. The active part is then inspected and housed in tank and filled up with oil. After filing up the oil it is circulated through to improve BDV of oil.

Final Fitting

Fittings are required for protection of transformers. Suitable size of fittings according to rating is decided by design to be fixed. Final touch up is done.

Testing & Inspection

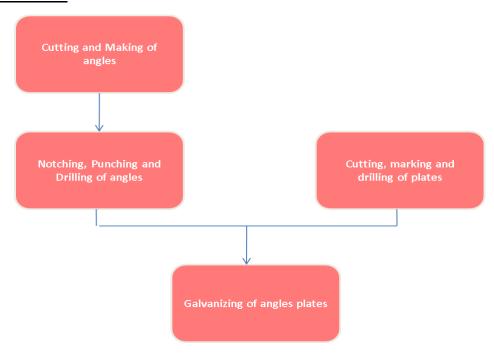
Final testing of the transformers is done at our in house testing facility. All the required testing as per Indian Standard: 2026 is done at our factory. Manufacturer's quality control department finally inspects the transformer as per QAP and clause to clause compliance to the technical specification.

Dispatch

The products are then dispatched.



Transmission Tower



RAW MATERIALS

Below is the list of the basic raw materials required in our manufacturing process:

- CRGO
- M.S. items
- Aluminium
- Copper
- Insulating Paper
- Transformer Oil
- Thinner, Colour
- Tanking material
- Wooden parts

A description of the major raw materials of the above is given below:

1) Conductor Material (Aluminium/Copper)

Aluminium and Copper wire with a varnish or some other synthetic coating is used as conductor. Copper is a superior electrical conductor. Aluminium's conductivity is about 62% that of copper when measured on a volume basis. Aluminium offers lighter weight, because of the metal's large density difference. That's why it is often chosen for such applications as pole-top distribution transformers, where light weight can sometimes be beneficial. On the other hand, copper-wound transformers are smaller.

2) Stampings (CRGO – Cold Rolled Grain Oriented)

CRGO electrical steel usually has a silicon level of 3%. It is processed in such a way that the optimum properties are developed in the rolling direction, due to tight control of the crystal orientation relative to the sheet. The magnetic flux density is increased in the coil direction.



3) Tank

Tanks are made of high quality steel which can withstand vacuum as specified by the relevant standards and the customers. All welds are tested, ensuring 100% leak proof and mechanical strength. Tanks are given a smooth finishing by using the shot blasting process.

Our Manufacturing Plants

Our Company manufactures transformers from two plants, both in Vadodara district. The manufacturing units are situated at:

- 1) 15, GIDC Estate, Village Ranoli, Vadodara for Distribution Transformers. (Unit I)
- 2) Village Samiyala, Taluka Padra, Vadodara for Distribution Transformers, Power Transformers and Transmission Towers. (Unit II)

Our Competitive Strengths



BUSINESS STRATEGY

- Capitalize on growing demand of Power Infrastructure in India
- Focus on Government contracts and exploring new markets
- Brand image
- Increasing presence in International Market
- Improving functional efficiency
- Leveraging our Market skills and Relationship
- Enhancing existing production and product quality



SUMMARY OF FINANCIAL STATEMENTS

The following tables set forth summary financial information derived from our statement of Assets and Liabilities and Profit and Loss as restated for the period ended September 30, 2015 and for the years ended 2015, 2014, 2013, 2012 and 2011. These financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations, restated and presented in the section titled —Financial Information of the Company beginning on page 167 of this Draft Prospectus.

ANNEXURE I

Particulars EQUITY AND LIABILITIES Shareholders Funds Share Capital Reserves & Surplus Share Application Money Pending	As at Septembe r 30, 2015	1,000.00 1,213.99	1,000.00	at March 31 2013 1,000.00	2012	2011
EQUITY AND LIABILITIES Shareholders Funds Share Capital Reserves & Surplus Share Application	1,000.00	1,000.00	1,000.00		2012	2011
Shareholders Funds Share Capital Reserves & Surplus Share Application				1,000.00		
Shareholders Funds Share Capital Reserves & Surplus Share Application				1,000.00		
Funds Share Capital Reserves & Surplus Share Application				1,000.00		
Reserves & Surplus Share Application				1,000.00		
Surplus Share Application	1,204.48	1,213.99	5 270 42	-,000.00	1,000.00	1,000.00
			5,270.42	4,683.22	4,665.95	3,039.38
Allotment	-	-	-	-	-	-
Non Current Liabilities						
Long Term Borrowings	4,745.00	4,743.76	3,848.29	2,440.10	3,198.11	1,655.61
Deferred Tax Liabilities	-	-	44.44	46.74	54.92	59.82
Other Long Term Liabilities	-	-	-	815.53	759.90	762.90
Long Term Provisions	5.59	6.34	4.27	3.33	1.71	1.45
<u>Current</u> Liabilities						
Short Term Borrowings	4,422.73	3,576.12	4,028.29	5,722.34	2,996.55	558.38
Trade Payables	848.79	497.74	2,667.61	721.64	568.37	258.19
Other Current Liabilities	3,123.83	2,896.58	3,802.18	1,396.47	1,152.42	202.75
Short Term Provisions	823.33	835.32	854.13	755.26	849.10	678.41
TOTAL	16,173.75	14,769.85	21,519.63	17,584.63	15,247.03	8,216.89
	Non Current Liabilities Long Term Borrowings Deferred Tax Liabilities Other Long Term Liabilities Long Term Provisions Current Liabilities Short Term Borrowings Trade Payables Other Current Liabilities Short Term Provisions	Non Current Liabilities Long Term Borrowings Deferred Tax Liabilities Other Long Term Liabilities Long Term Provisions Current Liabilities Short Term Borrowings Trade Payables Short Term Liabilities Short Term Sorrowings Trade Payables Short Term Liabilities Short Term Borrowings Provisions 1,123.83 Provisions	Non Current Liabilities Long Term 4,745.00 4,743.76 Borrowings Deferred Tax Liabilities Dither Long Term Liabilities Long Term 5.59 6.34 Provisions Current Liabilities Borrowings Trade Payables 848.79 497.74 Other Current 3,123.83 2,896.58 Chart Term 823.33 835.32 Provisions Liabilities Long Term Roman Current Liabilities Long Term Liabilities Current Liabilities Long Term Liabilities Chart Term Roman Roman Roman Current Roman Roman Roman Current Liabilities Roman Roman Current Roman Roman Roman Current Roman R	Non Current Liabilities Long Term 4,745.00 4,743.76 3,848.29 Borrowings Deferred Tax -	Non Current Liabilities Liabilities Long Term 4,745.00 4,743.76 3,848.29 2,440.10 Borrowings Deferred Tax - - 44.44 46.74 Liabilities - - - 815.53 Liabilities - - - 815.53 Long Term - - - 3.33 Provisions - - - - 3.33 Provisions - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - - -<	Non Current Liabilities Long Term 4,745.00 4,743.76 3,848.29 2,440.10 3,198.11 Borrowings Deferred Tax -



STA	TEMENT OF ASSET		BILITIES AS	RESTATE	D	(Rs. In L	akhs)
Sr.	Particulars	As at Septembe		As	As at March 31,		
No.		r 30, 2015	2015	2014	2013	2012	2011
	ASSETS						
1)	Non Current Assets						
a.	Fixed Assets						
i.	Tangible Assets	1,744.03	1,743.27	1,708.94	1,684.18	1,610.88	1,653.71
	Less: Accumulated Depreciation	698.53	655.27	496.67	393.57	282.95	177.95
ii.	Capital Work in Progress	935.11	935.11	935.11	641.72	-	-
	Net Block	1,980.61	2,023.11	2,147.38	1,932.33	1,327.93	1,475.76
b.	Deferred Tax Assets (Net)	1,793.29	1,791.05	-	-	-	-
c.	Non-current Investments	1,158.19	1,158.19	1,158.19	1,040.00	-	-
d.	Long Term Loans & Advances	2,039.90	2,032.54	2,040.48	2,306.40	743.53	562.33
2)	Current Assets						
a.	Inventories	4,837.27	3,708.11	6,056.92	4,458.37	4,092.29	1,506.05
b.	Trade Receivables	3,589.54	3,145.15	8,698.96	6,672.73	6,374.49	4,255.47
c.	Cash and Cash Equivalents	369.35	467.05	943.27	923.78	1,392.12	106.15
d.	Short Term Loans & Advances	13.66	112.59	167.88	-	1,092.84	219.80
e.	Other Current Assets	391.94	332.06	306.55	251.02	223.83	91.33
		1615055	44=60.0=	24 #40 <2	48 804 63	4504500	0.046.00
	TOTAL	16,173.75	14,769.85	21,519.63	17,584.63	15,247.03	8,216.89



ANNEXURE-II

STA	TEMENT OF PROF	IT AND LOSS	S AS RESTA	TED		(Rs. In La	akhs)		
		For the period	For the year ended March 31,						
Sr. No.	Particulars	ended September 30, 2015	2015	2014	2013	2012	2011		
	INCOME								
	Revenue from Operations	13,493.27	32,885.36	47,906.56	34,844.50	26,460.96	24,138.55		
	Other Income Total Income (A)	113.13 13,606.40	222.57 33,107.93	116.96 48,023.52	323.14 35,167.64	12.55 26,473.51	4.88 24,143.43		
	EXPENDITURE Cost of Material	1,107.70	14,579.52	17,909.40	17,164.78	3,937.87	1,540.73		
	Consumed Purchase of Stock in Trade	12,497.44	18,672.04	28,153.13	17,043.31	20,694.42	20,422.70		
	Changes in inventories of finished goods, traded goods and work-in-progress	-1,130.88	2,334.19	-1,539.66	-724.28	-2,098.59	-809.29		
	Employee benefit expenses	208.95	602.35	917.81	499.66	422.15	267.34		
	Finance costs	731.24	1,190.86	1,077.45	542.52	458.41	237.60		
	Depreciation and amortisation expense	43.26	158.60	103.10	110.62	105.00	102.24		
	Other Expenses	160.43	1,462.30	516.92	506.82	508.34	321.82		
	Total Expenses (B)	13,618.14	38,999.86	47,138.15	35,143.43	24,027.60	22,083.14		
	Profit before extraordinary items and tax	-11.74	-5,891.93	885.37	24.21	2,445.91	2,060.29		
	Extraordinary items	-	_	-	-	-	-		
	Profit before tax Tax expense:	-11.74	-5,891.93	885.37	24.21	2,445.91	2,060.29		
	(i) Current tax	_	_	300.48	15.12	824.24	680.38		
	(ii) Deferred tax	-2.23	-1,835.50	-2.30	-8.18	-4.90	59.56		
	Total Tax Expense	-2.23	-1,835.50	298.18	6.94	819.34	739.94		
	Profit for the year (D-E)	-9.51	-4,056.43	587.19	17.27	1,626.57	1,320.35		



STATEMENT OF CASH FLOW AS RESTATED (Rs. In Lakhs)						
Particulars	As at Septem ber 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Cash flow from operating						
activities:						
Net Profit before tax as per						
Profit And Loss A/c	-11.74	-5,891.93	885.37	24.21	2,445.91	2,060.29
Adjusted for:						
Depreciation & Amortisation	43.26	158.60	103.10	110.62	105.00	102.24
Interest & Finance Cost	731.24	1,190.86	1,077.45	542.52	458.41	237.60
Sundry Balances Written Off	-	0.05	-	1.56	0.02	-
Interest Income	-113.00	-220.78	-112.22	-321.15	-11.79	-4.88
Foreign Exchange						
Loss/(Gain)	-	-	-	-0.20	-	3.16
Operating Profit Before						
Working Capital Changes	649.76	-4,763.20	1,953.72	357.56	2,997.55	2,398.42
Adjusted for (Increase)/ Decrease:						
Inventories	1,129.16	2,348.81	1,598.55	-366.08	-2,586.25	-799.43
Trade Receivables	-444.39	5 552 01	2 026 22	208.04	2 110 02	3,068.95
Loans and advances and	-444.39	5,553.81	2,026.23	-298.04	-2,119.02	3,008.93
other assets	31.70	37.72	42.50	-497.23	-1,186.74	-698.02
Trade Payables	351.04	-2,169.87	1,130.44	208.90	307.18	1,021.09
Liabilities & Provisions	214.50	-922.38	2,205.04	135.15	396.37	-493.72
Cash Generated From	214.30	-922.30	2,203.04	133.13	390.37	-493.12
Operations	-326.55	84.89	1,706.92	-459.74	-2,190.91	1,640.61
Direct Tax Paid	-320.33	- 04.07	1,700.72	-437.74	-100.00	-607.28
Net Cash Flow from/(used in) Operating Activities: (A)					100.00	-
	-326.55	84.89	1,706.92	-459.74	-2,290.91	2,247.89
Cash Flow From Investing Activities:						
Purchase of Fixed Assets	-0.76	-34.33	-318.15	-715.02	42.83	-239.91
Interest Income	113.01	220.78	112.22	321.15	11.79	4.88
(Purchase)/Sale of						
Investments	-	-	-118.19	-1,040.00	-	-
Net Cash Flow from/(used						
in) Investing Activities: (B)	112.25	186.45	-324.12	-1,433.87	54.62	-235.03
<u>Cash Flow from Financing</u> <u>Activities:</u>						
Proceeds From Share Capital & Share Premium	-	-	-	-	-	-
Proceeds from Long Term Borrowing (Net)	1.24	895.47	1,408.19	-758.00	1,542.50	2,137.08



STATEMENT OF CASH FI	OW AS R	ESTATED			(Rs. I	n Lakhs)
Particulars	As at Septem ber 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Proceeds from Short-term			1			
borrowings	846.60	-452.17	1,694.05	2,725.79	2,438.18	558.38
			-			
Interest & Financial Charges	-731.24	-1,190.86	1,077.45	-542.52	-458.41	-237.60
Net Cash Flow from/(used			_			
in) Financing Activities (C)	116.60	-747.56	1,363.31	1,425.27	3,522.27	2,457.86
Net Increase/(Decrease) in						
Cash & Cash Equivalents						
(A+B+C)	-97.70	-476.22	19.49	-468.34	1,285.98	-25.06
Cash & Cash Equivalents As						
At Beginning of the Year	467.05	943.27	923.78	1,392.12	106.14	131.21
Cash & Cash Equivalents As						
At End of the Year	369.35	467.05	943.27	923.78	1,392.12	106.15



THE OFFER

The following table summarizes the Offer details:

Particulars	Details of Equity Shares
Equity Shares Offered	59,34,000 Equity Shares of face value of Rs.10/- each fully
	paid for cash at price of Rs. 20/- per Equity Share
	aggregating Rs. 1,186.80 lakhs
Of which:	
Offer for Sale by Diamond Power	59,34,000 Equity Shares of face value of Rs.10/- each fully
Infrastructure Limited ("Selling	paid for cash at price of Rs. 20/- per Equity Share
Shareholder")	aggregating Rs. 1,186.80 lakhs
Market Maker Reservation Portion	3,06,000 Equity Shares of face value of Rs. 10/- each fully
	paid for cash at price of Rs. 20/- per Equity Share
	aggregating Rs. 61.20 lakhs
Net Offer to the Public	56,28,000 Equity Shares of face value of Rs.10/- each fully
	paid of the Company for cash at price of Rs. 20/- per Equity
	Share aggregating Rs. 1,125.60 lakhs
	Of which:
	28,14,000 Equity Shares of face value of Rs. 10/- each fully
	paid for cash at price of Rs. 20/- per Equity Share
	aggregating Rs. 562.80 lakhs will be available for allocation
	to investors up to Rs. 2.00 Lacs
	28,14,000 Equity Shares of face value of Rs. 10/- each
	fully paid for cash at price of Rs. 20/- per Equity Share
	aggregating Rs. 562.80 lakhs will be available for allocation
	to investors above Rs. 2.00 Lacs
Pre and Post Offer Equity Shares	
Equity Shares outstanding prior to the	2,19,77,054 Equity Shares
Offer	
Equity Shares outstanding after the	2,19,77,054 Equity Shares
Offer	
Objects of the Offer	For further details please refer chapter titled "Objects of the
	Offer" beginning on 93 of this Draft Prospectus.

Notes

- 1. This Offer is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. The Offer is being made through the Fixed Price method and hence, as per regulation 43, sub regulation (4) of SEBI (ICDR) Regulations, at least 50% of the Net Offer to public will be available for allocation on a proportionate basis to Retail Individual Applicants, subject to valid Applications being received at the Offer Price. For further details please refer to section titled 'Offer Related Information' beginning on 242 of this Draft Prospectus.
- 2. The Offer for Sale has been authorised by selling shareholder in their Board Meeting held on May 31, 2015 and vide consent letter of Managing Director of the selling shareholder dated January 11, 2016.
- 3. The Offer has been authorised by the Board of Directors of our Company *vide* a resolution passed at its meeting held on December 19, 2015 and Special Resolution of the shareholders of our Company passed at the EGM dated February 2, 2016.

For further details please refer to chapter titled "Offer Structure" beginning on page 248 of this Draft Prospectus.



GENERAL INFORMATION

Our Company was originally formed and registered as a partnership firm under the Indian Partnership Act, 1932 under the name and style of "M/s Western Transformers", pursuant to a partnership deed. The name of the partnership firm was changed to "M/s Diamond Power Transformers" pursuant to Deed of Co-Partnery dated December 23, 2007. "M/s Diamond Power Transformers" was then converted into a public limited Company under part IX of the Companies Act, 1956 under the name of "Diamond Power Transformers Limited" and received a Certificate of Incorporation bearing Registration No. 052486 and Corporate Identity Number U31102GJ2007PLC052486 from the Registrar of Companies, Gujarat, and Dadra & Nagar Havelli on December 28, 2007.

REGISTERED OFFICE OF OUR COMPANY

Diamond Power Transformers Limited

101/B/7, G, I.D.C Estate,

Ranoli, Baroda,

Gujarat- 390350, India **Tel:** 0265-3299596 **Fax:** 0265-2240591

Email: cs@dicabstransformers.com
Website: www.dicabstransformers.com

Registration Number: 052486

Corporate Identification Number: U31102GJ2007PLC052486

REGISTRAR OF COMPANIES

The Registrar of Companies, Gujarat

ROC Bhavan, Opp Rupal Park Society,

Behind Ankur Bus Stop,

Naranpura, Ahemdabad-380013

DESIGNATED STOCK EXCHANGE

SME Platform of BSE

P. J. Towers, Dalal Street Mumbai, Maharashtra, 400001

For details in relation to the changes to the name of our Company, please refer to the chapter titled, "Our History and Certain Other Corporate Matters" beginning on page 139 of this Draft Prospectus.

BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name Age		Name Age DIN Address		Designation
1.	Amit Bhatnagar	45	00775880	6, Green Park Society, Nizampura, Vadodara - 390002, Gujarat, India.	Chairman & Managing Director
2.	Sumit Bhatnagar 43		00776129	6, Green Park Society, Nizampura, Vadodara- 390002, Gujarat, India	Director
3.	Nivedita Pandya	42	02992638	20B, Shreenathji Park Society, Kadamnagar, Nizampura, Vadodara- 390002, Gujarat, India	Director
4.	Ashok Kumar Singh	66	01489637	B-903, C.S.I. Towers, Vipin Khand, Gomti Nagar, Lucknow- 226010, Uttar Pradesh, India	Independent Director



Sr. No.	Name Age				Address	Designation
5.	Ashok Kumar Krishan Singh Gautam	63	06947087	47 A, Jal Darshan, Nepean Sea Road, Mumbai- 400036, Maharashtra, India	Independent Director	
6.	Rajendrakumar Patel	46	02457156	C-11, Saptak Bunglow, Nr. Geetapark, Manjalpur, Vadodara- 390011, Gujarat, India	Independent Director	

For further details of our Directors, please refer to the chapter titled "Our Management" beginning on page 142 of this Draft Prospectus.

COMPANY SECRETARY & COMPLIANCE OFFICER

Komal Tiwari

Diamond Power Transformers Limited

101/B/7, G, I.D.C Estate,

Ranoli, Baroda,

Gujarat- 390350, India **Tel:** 0265-3299596 **Fax:** 0265-2240591

Email: cs@dicabstransformers.com
Website: www.dicabstransformers.com

CHIEF FINANCIAL OFFICER

Sunil Parikh

Diamond Power Transformers Limited

101/B/7, G, I.D.C Estate,

Ranoli, Baroda,

Gujarat- 390350, India **Tel:** 0265-3299596 **Fax:** 0265-2240591

Email: cfo@dicabstransformers.com
Website: www.dicabstransformers.com

Investors may contact our Company Secretary and Compliance Officer and / or the Registrar to the Offer and / or the Lead Manager, in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of allotment, credit of allotted Equity Shares in the respective beneficiary account or refund orders, etc.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer, with a copy to the relevant SCSB to whom the Application was submitted (at ASBA Locations), giving full details such as name, address of the applicant, number of Equity Shares applied for, Amount blocked, ASBA Account number and the Designated Branch of the relevant SCSBs to whom the Application was submitted (at ASBA Locations) where the ASBA Form was submitted by the ASBA Applicants.

SELLING SHAREHOLDERS

The details of our corporate Selling Shareholders are set forth below:

Name	Details	Board of Directors
Diamond Power Infrastructure Limited ("DPIL")	A public limited company incorporated under Companies Act 1956 (formerly known as Diamond Cables Private Limited and Diamond Cables	The board of directors of DPIL comprises of: 1. Ranvir Singh Shekhawat 2. Amit Bhatnagar 3. Sumit Bhatnagar 4. Ashok Kumar Singh



1	6. 7.	Nivedita Pandya Ashok Kumar Krishan Singh Gautam
Gujarat.	8.	Jaideep Shyam Kishore Nigam

For further details of our Promoters, please refer to the chapter titled, "Our Promoter and Promoter Group" beginning on page 155 of this Draft Prospectus.

STATUTORY AUDITOR

M/s R.A. Amin & Co. Chartered Accountants

5/FF, Avishkar, Old Padra Road, Vadodara- 390015, Gujarat. **Tel:** +91 265 2351488/ 2331488 **Email:** hirenamin@icai.org **Website:** www.cahirenamin.com

Contact Person: CA Hiren Ravikant Amin

Firm Regn No.: 100334W Membership No.: 111009

PEER REVIEWED AUDITOR

M/s. Ramanand & Associates

Chartered Accountants

6/C, Ostwal Park Building No. 4 CHSL,

Near Jesal Park Jain Temple,

Bhayandar East, District Thane, Pin-401105.

Tel: +91 22 28171199 **Fax:** +91 22 28171199

E-Mail: rg@caramanandassociates.com Contact Person: CA Ramanand Gupta Firm Registration No: 117776W

Membership No: 103975

M/s Ramanand & Associates, Chartered Accountants holds a peer reviewed certificate dated November 13, 2013 issued by the Institute of Chartered Accountants of India.

LEAD MANAGER

Pantomath Capital Advisors Private Limited

406-408, Keshava Premises Co-Op Soc. Ltd.

Bandra Kurla Complex, Bandra East Mumbai 400 051, Maharashtra, India

Tel: +91 22 61946724 **Fax:** + 91 22 26598690

Email: ipo@pantomathgroup.com Website: www.pantomathgroup.com Contact Person: Ms. Kirti Kanoria SEBI Registration No: INM000012110



REGISTRAR TO THE OFFER

Karvy Computershare Private Limited

Karvy Selenium Tower B, Plot 31-32, Gachibowli,

Financial District, Nanakramguda,

Hyderabad-500 032, India **Toll Free No**: 18003454001

Tel: 040 6716 2222 **Fax:** 040 23431551

E-mail: diamondpower.ipo@karvy.com Website: www.karisma.karvy.com Contact Person:Mr. M Murali Krishna SEBI Registration No.:INR000000221

LEGAL ADVISOR TO THE OFFER

MV Kini

Kini House, 6/39

Jangpura – B, New Delhi 110014 **Tel:** 011 24371038 / 39 / 40

Fax: 011 24379484

E-mail: vidisha@mvkini.com

Contact Person: Ms. Vidisha Krishan

Website: www.mvkini.com

BANKER TO THE COMPANY

UCO Bank Limited Indian Overseas Bank Limited

 Address-[•]
 Address-[•]

 Tel: [•]
 Tel: [•]

 Fax:[•]
 Fax:[•]

 Email:[•]
 Email:[•]

Contact Person:[•] Contact Person:[•]

Website: [•] Website: [•]

BANKER TO THE OFFER

ICICI Bank Limited

Capital Market Division, 1st Floor, 122, Mistry Bhavan,

Dinshaw Vachha Road, Backbay Reclamation,

Churchgate, Mumbai - 400 020

Tel: (91) 022 22859922 **Fax:** (91) 022 22611138

Email: rishav.bagrecha@icicibank.com Contact Person: Mr. Rishav Bagrecha

Website: www.icicibank.com

SEBI Registration Number: INBI00000004

SELF CERTIFIED SYNDICATE BANKS ("SCSBS")

The list of Designated Branches that have been notified by SEBI to act as SCSB for the ASBA process is provided on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html. For more information on the Designated Branches collecting ASBA Forms, see the above mentioned SEBI link.

CREDIT RATING

This being an Offer of Equity Shares, credit rating is not required.



IPO GRADING

Since the Offer is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of appointing an IPO Grading agency.

APPRAISAL AND MONITORING AGENCY

The Offer being an offer for sale, our Company will not receive any proceeds from the Offer and is not required to appoint a monitoring agency.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Pantomath Capital Advisors Private Limited is the sole Lead Manager to this Offer, a statement of inter se allocation of responsibilities among Lead Managers is not applicable.

EXPERT OPINION

Except the report of the Peer Reviewed Auditor on statement of tax benefits included in this Draft Prospectus, our Company has not obtained any other expert opinion.

DEBENTURE TRUSTEE

Since this is not a debenture issue, appointment of debenture trustee is not required.

UNDERWRITER

Our Company, the Selling Shareholder and Lead Manager to the Offer hereby confirm that the Offer is 100% Underwritten. The underwriting agreement is dated January 25, 2016 and pursuant to the terms of the underwriting agreement; obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated their intention to underwrite following number of specified securities being offered through this Offer.

Name and Address of the Underwriters	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees In Lakhs)	% of the Total Offer Size Underwritten
Pantomath Capital Advisors Private			
Limited			
406-408, Keshava Premises Co-Op Soc.			
Ltd., Bandra Kurla Complex, Bandra East			
Mumbai 400051			
Tel: +91 22 61946724	59,34,000	1,186.80	100%
Fax: + 91 22 26598690			
Email: ipo@pantomathgroup.com			
Contact Person: Ms. Kirti Kanoria			
SEBI Registration Number:			
INM000012110			
Total	59,34,000	1,186.80	100%

In the opinion of the Board of Directors of the Company, the resources of the above mentioned underwriter are sufficient to enable them to discharge their respective underwriting obligations in full.



DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Lead Manager have entered into a tripartite agreement dated [•] with the following Market Maker, duly registered with BSE Limited to fulfill the obligations of Market Making:

 $[\bullet]$

[•], registered with SME segment of BSE will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for a period as may be notified by any amendment to SEBI (ICDR) Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI ICDR Regulations, as amended from time to time and the circulars issued by BSE and SEBI in this matter from time to time.

Following is a summary of the key details pertaining to the Market Making arrangement:

- 1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
- 2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of Rs. 20/- the minimum lot size is 6,000 Equity Shares thus minimum depth of the quote shall be Rs. 1.20 Lakhs until the same, would be revised by BSE.
- 3. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Offer Size (including the 3,06,000 Equity Shares out to be allotted under this Offer). Any Equity Shares allotted to Market Maker under this Offer over and above 25% Equity Shares would not be taken in to consideration of computing the threshold of 25% of Offer Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Offer Size, the Market Maker will resume providing 2-way quotes.
- 4. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
- 5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
- 6. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, [●] is acting as the sole Market Maker.
- 7. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
- 8. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
- 9. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable



for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.

10. The Market Maker(s) shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations. Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our Corporate Office from 11.00 a.m. to 5.00 p.m. on working days.

- 11. BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Markto-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
- 12. BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker(s) in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties/ fines/ suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.

- 13. SEBI Circular bearing reference no: CIR/MRD/DP/02/2012 dated January 20, 2012, has laid down that for offer size up to Rs. 25,000 Lakhs, the applicable price bands for the first day shall be:
 - i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
 - ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the offer price.

Additionally, the trading shall take place in TFT (Trade for Trade) segment for first 10 days from commencement of trading. The following spread will be applicable on the BSE SME Platform:

Sr. No.	Market Price Slab (in Rs.)	Proposed spread (in % to sale price)
1	Up to 50	9%
2	50 to 75	8%
3	75 to 100	6%
4	Above 100	5%

14. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for Market Makers during market making process has been made applicable, based on the offer size and as follows:



Offer size	Buy quote exemption threshold (including mandatory initial inventory of 5% of the Offer Size)	Re-Entry threshold for buy quote (including mandatory initial inventory of 5% of the Offer Size)		
Up to Rs. 20 Crores	25%	24%		
Rs. 20 crores to Rs. 50 crores	20%	19%		
Rs. 50 crores to Rs. 80 crores	15%	14%		
Above Rs. 80 crores	12%	11%		

The Market Making arrangement, trading and other related aspects including all those specified above shall be subject to the applicable provisions of law and/or norms issued by SEBI/BSE from time to time.



CAPITAL STRUCTURE

The Equity Share capital of our Company, as on the date of this Draft Prospectus is set forth below:

Amount (Rs.in lakhs except share data)

No.	Particulars	Aggregate nominal value	Aggregate value at Offer Price
A.	Authorised Share Capital		
	2,20,00,000 Equity Shares of face value of Rs. 10/- each	2,200.00	-
В.	Issued, Subscribed and Paid-Up Share Capital before the Offer		
	2,19,77,054 Equity Shares of face value of Rs. 10/- each	2,197.71	-
C.	Present Offer in terms of this Draft Prospectus		
	Offer for sale of 59,34,000 Equity Shares of face value Rs.10 each at a price of Rs. 20/- per Equity Share	1,186.80	
	Consisting:		
	Reservation for Market Maker – 3,06,000 Equity Shares of face value of Rs. 10/- each reserved as Market Maker portion at a price of Rs. 20/- per Equity Share	30.60	61.20
	Net Offer to the Public – 56,28,000 Equity Shares of face value of Rs. 10/- each at a price of 20/- per Equity Share	562.80	1,125.60
	Of the Net Offer to the Public		
	Allocation to Retail Individual Investors – 28,14,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 20/- per Equity Share shall be available for allocation for Investors applying for a value of upto Rs. 2 lakhs	281.40	562.80
	Allocation to Other than Retail Individual Investors – 28,14,000 Equity Shares of face value of Rs. 10/- each at a price of Rs. 20/- per Equity Share shall be available for allocation for Investors applying for a value of above Rs. 2 lakhs	281.40	562.80
D.	Issued, Subscribed and Paid-Up Share Capital after the Offer		
	2,19,77,054 Equity Shares of face value of Rs. 10 each	2,197.71	-
Ε.	Securities Premium Account		
	Before the Offer	1,19	
	After the Offer	1,19	7.71

The Offer for Sale has been authorised by selling shareholder in their Board Meeting held on May 31, 2015 and vide consent letter of Managing Director of the selling shareholder dated January 11, 2016.

The Offer has been authorised by the Board of Directors of our Company *vide* a resolution passed at its meeting held on December 19, 2015 and by Special Resolution of the shareholders of our Company passed at the EGM dated February 2, 2016.

The Company has one class of share capital i.e. Equity Shares of face value of Rs. 10/- each only. All Equity Shares issued are fully paid-up. Our Company has no outstanding convertible instruments as on the date of this Draft Prospectus.



NOTES TO THE CAPITAL STRUCTURE

1. Details of increase in Authorized Share Capital:

Since the incorporation of our Company, the authorised share capital of our Company has been altered in the manner set forth below:

Sr. No.	Change in authorised share capital	Date of AGM/EGM Resolution	AGM/EGM
1	The Company was incorporated with an authorised share capital of Rs. 5,00,00,000 divided into 50,00,000 Equity Shares of Rs. 10/- each	On Incorporation	-
2	The authorised share capital of Rs. 5,00,00,000 divided into 50,00,000 Equity Shares of Rs. 10/- each. was increased to Rs. 10,00,00,000 divided into 1,00,00,000 Equity shares of Rs. 10/- each	March 18, 2011	EGM
3	The Authorised Share Capital of Rs. 10,00,00,000 consisting of 1,00,00,000 Equity Shares of Rs. 10/- each was increased to Rs. 20,00,00,000 consisting of 2,00,00,000 Equity Shares of Rs. 10/- each.	December 11, 2015	EGM
4	The Authorised Share Capital of Rs. 20,00,00,000 consisting of 2,00,00,000 Equity Shares of Rs. 10/- each was increased to Rs. 22,00,00,000 consisting of 2,20,00,000 Equity Shares of Rs. 10/- each.	December 15, 2015	EGM

2. History of Equity Share Capital of our Company

Date of Allotment / Fully Paid-up	No. of Equity Shares allotted	Face value (Rs.)	Issue Price (Rs.)	Nature of conside ration	Nature of Allotment	Cumulativ e number of Equity Shares	Cumulative Paid -up Capital (Rs.)
December 28, 2007	20,00,000	10	10	Other than Cash*	Subscription to Memorandum of Association ⁽¹⁾	20,00,000	2,00,00,000
March 31, 2008	30,00,000	10	10	Other than Cash	Conversion of unsecured loan into Equity Shares ⁽²⁾	50,00,000	5,00,00,000
March 28, 2011	50,00,000	10	10	Other than Cash	Conversion of unsecured loan into Equity Shares ⁽³⁾	1,00,00,000	10,00,00,000
January 11, 2016	1,19,77,054	10	10	Cash	Preferential Issue ⁽⁴⁾	2,19,77,054	21,97,70,540

^{*} Equity shares allotted pursuant to conversion of Diamond Power Transformers, a partnership firm into our Company under Part IX of the Companies Act, 1956.



(1) Pursuant to conversion of Diamond Power Transformers, a partnership firm into our Company under Part IX of the Companies Act, 1956, the Initial Subscribers to Memorandum of Association subscribed 20,00,000 Equity Shares of face value of Rs. 10/-each fully paid at par as per the details given below:

Sr. No.	Name of Person	No. of shares Allotted
1.	Amit Bhatnagar	20,000
2.	Sumit Bhatnagar	20,000
3.	Mandaben Bhut	40,000
4.	Velijibhai Bhut	40,000
5.	Narendra Bhut(Karta of HUF)	40,000
6.	Parth Patel	40,000
7.	Diamond Power Infrastructure Limited (formerly known as	
	Diamond Cables Limited)	18,00,000
	Total	20,00,000

(2) Conversion of unsecured loan given by Diamond Power Infrastructure Limited into equity shares by allotment of 30,00,000 Equity Shares of face value of Rs. 10/ - each fully paid up at par as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Diamond Power Infrastructure limited	30,00,000
	Total	30,00,000

(3) Conversion of unsecured loan given by Diamond Power Infrastructure Limited into equity shares by allotment of 50,00,000 Equity Shares of face value of Rs. 10/ each fully paid up at par as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Diamond Power Infrastructure limited	50,00,000
	Total	50,00,000

(4) Preferential Issue of 1,19,77,054 Equity Shares of face value of Rs. 10/- each fully paid up at a premium of Rs. 10/- per share as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Diamond Power Transmission Private Limited	1,19,77,054
	Total	1,19,77,054

3. We have not issued any Equity Shares for consideration other than cash except as follows

Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for allotment	Allottee	No. of Shares Allotted
				Since our Company was formed by conversion of	Amit Bhatnagar	20,000
December 28, 2007	20,00,000	10	10	the partnership firm M/s Diamond Power Transformers, the partners in the	Sumit Bhatnagar	20,000
					Mandaben Bhut	40,000



Date of Allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Reasons for allotment	Allottee	No. of Shares Allotted
				firm became the initial subscriber to the MOA and	Velijibhai Bhut	40,000
				were allotted Equity Shares against their	Narendra Bhut(Karta of HUF)	40,000
				respective closing	Parth Patel	40,000
				balance in the capital account.	Diamond Power	
						20,00,000
March 31, 2008	30,00,000	10	10	Conversion of unsecured loan to Equity shares	Diamond Power Infrastructure limited	30,00,000
March 28, 2011	50,00,000	10	10	Conversion of unsecured loan to Equity shares	Diamond Power Infrastructure limited	50,00,000

- 4. No Equity Shares have been allotted pursuant to any scheme approved under Section 391-394 of the Companies Act, 1956.
- 5. We have not revalued our assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.
- 6. We have not issued any shares at price below Issue Price within last one year from the date of this Draft Prospectus.

7. Build-up of Promoters' shareholding, Promoters' contribution and lock-in

i. Build Up of Promoters' shareholdings

As on the date of this Draft Prospectus, our Promoters Diamond Power Infrastructure Limited and Diamond Power Transmission Private Limited hold 99,60,000 and 1,19,77,054 Equity Shares of our Company respectively . None of the Equity Shares held by our Promoters are subject to any pledge.



a. Diamond Power Infrastructure Limited

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisiti on/Trans fer price (Rs.)*	Nature of Transactions	% of Pre- Offer paid up capital	% of Post- Offer paid up capital	Lock-in Period	Source of funds	Pledge
December 28, 2007	18,00,000	10	10	Subscription to MOA	8.19%	8.19%	NA**	Balance in partners capital account of M/s Diamond Power Transformers	Nil
March 31, 2008	1,60,000	10	7.63	Transfers	0.73%	0.73%	NA**	Business Income	Nil
March 31, 2008	30,00,000	10	10	Conversion of unsecured loan into Equity shares	13.65%	13.65%	NA**	Borrowings	Nil
March 28,	9,74,000	10	10	Conversion of unsecured loan into Equity shares	4.43%	4.43%	NA**	Borrowings	Nil
2011	40,26,000	10	10	Conversion of unsecured loan into Equity shares	18.32%	18.32%	1 year	Borrowings	Nil

^{*}Cost of acquisition excludes Stamp Duty and the shares were made fully paid on the date of allotment.

^{**}Siince these Equity shares are offered for sale, the same shall not be subject to lock-in.



b. Diamond Power Transmission Private Limited

Date of Allotment and made fully paid up/ Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition/T ransfer price (Rs.)*	Nature of Transactions	% of Pre- Offer paid up capital	% of Post- Offer paid up capital	Lock-in Period	Source of funds	Pledge
January 11,	44,00,000	10	20	Preferential Issue	20.02%	20.02%	3 Years	Borrowings	Nil
2016	75,77,054	10	20	Preferential Issue	34.48%	34.48%	1 Year	Borrowings	Nil



ii. Details of Promoter's Contribution locked in for three years:

Pursuant to Regulation 32 and 36 of SEBI ICDR Regulations, an aggregate of 20% of the post-Offer capital held by our Promoters' shall be considered as Promoter's Contribution ("Promoters Contribution") and locked-in for a period of three years from the date of Allotment. The lock-in of the Promoters' Contribution would be created as per applicable law and procedure and details of the same shall also be provided to the Stock Exchange before listing of the Equity Shares.

Our Promoter has given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoter's Contribution constituting 20.02% of the post offer Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Offer.

Date of Allotment/ Transfer	Date when made fully paid up	No. of Shares Allotted/ Transferred	Face Value	Issue Price	Nature of Allotment	% of Post Offer paid up capital	Lock in Period
Diamond Po	ower Transmi	ission Private Li	imited				
January	January 11,	44,00,000	10	20	Preferential	20.02%	3 Years
11, 2016	2016	11,00,000	10	20	Issue	20.0270	3 Tears

The minimum Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI ICDR Regulations. The Equity Shares that are being locked in are not ineligible for computation of Promoter's contribution in terms of Regulation 33 of the SEBI ICDR Regulations. In Connection, we confirm the following:

- a) The Equity Shares offered for minimum 20% Promoters' contribution have not been acquired in the three years preceding the date of this Draft Prospectus for consideration other than cash and revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- b) The minimum Promoter's contribution does not include Equity Shares acquired during the one year preceding the date of this Draft Prospectus at a price lower than the Offer Price;
- c) No Equity Shares have been issued to our Promoters upon conversion of a partnership firm during the preceding one year at a price less than the offer price;
- d) The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;
- e) All the Equity Shares of our Company held by the Promoters are in the process of being dematerialised; and
- f) The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's contribution subject to lock-in.
- c. Details of Equity Shares locked-in for one year

Other than the above Equity Shares that are locked in for three years, the entire pre-Offer Equity Share capital of our Company excluding the equity shares which are offered for sale *vide* this Offer shall be locked-in for a period of one year from the date of transfer in the Public Offer.

d. Other requirements in respect of lock-in

Pursuant to Regulation 39 of the SEBI ICDR Regulations, the locked-in Equity Shares held by the Promoter, as specified above, can be pledged only with scheduled commercial banks or public



financial institutions as collateral security for loans granted by such scheduled commercial banks or public financial institution, provided that the pledge of the Equity Shares is one of the terms of the sanction of the loan.

Provided that securities locked in as Promoter's Contribution for 3 years under Regulation 36(a) of the SEBI ICDR Regulations may be pledged only if, in addition to fulfilling the above requirement, the loan has been granted by such scheduled commercial bank or public financial institution for the purpose of financing one or more of the objects of the Issue.

Further, pursuant to Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Offer may be transferred to any other person holding the Equity Shares which are locked-in as per Regulation 37 of the SEBI ICDR Regulations, along with the Equity Shares proposed to be transferred, provided that lock-in on such Equity Shares will continue for the remaining period with the transferee and such transferee shall not be eligible to transfer such Equity Shares till the lock-in period stipulated under the SEBI ICDR Regulations has ended, subject to compliance with the Takeover Code, as applicable

We further confirm that our Promoter's Contribution of 20.02% of the post Offer Equity Share capital does not include any contribution from Alternative Investment Fund.

8. Our Promoter and Promoter Group, directors and their immediate relatives have not purchased/sold Equity Shares of our Company during last 6 months other than the following:

Date of Allotment	Name of the Allottee	No. of Shares Allotted/ Transferred	Face Value	Issue Price	Nature of Allotment
January 11, 2016	Diamond Power Transmission Private Limited	1,19,77,054	10	20	Preferential Issue



9. Our Shareholding pattern

The table below presents the shareholding pattern of our Company as per Regulation 31 of the SEBI (LODR) Regulations, 2015 as on the date of this Draft Prospectus:

I. Summary of Shareholding Pattern

Ca teg ory	Category of Shareholder	Nos . of sha reh old ers	No. of fully paid up equity shares held	No. of Partl y paid- up	No. of share s unde rlyin	Total nos. shares held	Sharehol ding as a % of total no. of shares (calculat	Number of Rights	held Total as	No. of Shar es Unde rlyin	Sharehol ding , as a % assumin g full conversi	sha No.	ed in ares	pled oth encu	nber of hares lged or erwise mbered As a %	Num ber of equit y share
				equit y share s held	g Depo sitory Recei pts		ed as per SCRR, 1957) As a % of (A+B+C 2)	Voting Rights	a % of (A+B+C)	G Outst andin g conve rtible secur ities (inclu ding Warr ants)	on of converti ble securitie s (as a percenta ge of diluted share capital) As a % of (A+B+C 2)	(a)	% of tota l Sha res held (b)	(a)	of total Shares held (b)	s held in dema terial ized form
I	II	III	IV	V	VI	VII = IV + V+ VI	VIII	IX		X	XI = VII + X	X	II		XIII	XIV
A	Promoter and Promoter Group	2	2,19,37,054	-	-	2,19,37,054	99.82%	2,19,37,054	99.82%	-	99.82%	-	-	-	-	[•]
В	Public	6	40,000	-	-	40,000	0.18%	40,000	0.18%	-	0.18%	-	-	-	-	[•]
С	Non Promoter- Non Public	-	-	-	=.	-	-	=	-	-	-	-	-	-	-	-
1	Shares underlying DRs	-	-	-	-	-	-	-	ı	-	-	-	-	-	-	-
2	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	8	2,19,77,054	-	-	2,19,77,054	100.00%	2,19,77,054	100.00%	-	100.00%	-	-	-	-	[•]



II. Shareholding Pattern of Promoter and Promoter Group

C at eg or y	Category of Shareholder	PA N	Nos . of sha reh old ers	No. of fully paid up equity shares held	No. of Par tly pai d- up	No. of sha res und erly ing	Total nos. shares held	Shareh olding as a % of total no. of shares (calcul	Number of Vo Rights held in class of securi	n each ities	No. of Share s Under lying Outst andin	Sharehol ding, as a % assuming full conversion of	Numl Locke share	ed in	Sha pled othe encu	nber of res ged or rwise imbere	Numb er of equity shares held in demat erializ
					equ ity sha res hel d	Dep osit ory Rec eipt s		ated as per SCRR, 1957) As a % of (A+B+ C2)	No of Voting Rights	Total as a % of Total Voting Rights	convertible securities (including Warrants)	convertib le securities (as a % of diluted share capital) As a % of (A+B+C2	(a)	As a % of total Sha res held (b)	N o.	As a % of total Share s held	ed form
(1)	Indian											,					
(a)	Individuals/Hindu undivided Family																
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other (Body Corporate)																
	Diamond Power Transmission Private Limited	ı	1	1,19,77,054	-	-	1,19,77,054	54.50%	1,19,77,054	54.50%	-	54.50%	-	-	-	-	[•]
	Diamond Power Infrastructure Limited	ı	1	99,60,000	-	-	99,60,000	45.32%	99,60,000	45.32%	-	45.32%	-	-	-	1	[•]
	Sub-total (A) (1)	•	2	2,19,37,054	-	-	2,19,37,054	99.82 %	2,19,37,054	99.82%	-	99.82%	-	-	-	-	[•]
(2)	Foreign																
(a)	Individuals (Non- Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



C at eg or y	Category of Shareholder	PA N	Nos . of sha reh old ers	No. of fully paid up equity shares held	No. of Par tly pai d-up equ ity sha res hel d	No. of sha res und erly ing Dep osit ory Rec eipt s	Total nos. shares held	Shareh olding as a % of total no. of shares (calcul ated as per SCRR, 1957) As a % of (A+B+ C2)	Number of Vo Rights held in class of securi	ı each	No. of Share s Under lying Outst andin g convertible securities (including Warrants)	Sharehol ding, as a % assuming full conversion of convertible securities (as a % of diluted share capital) As a % of (A+B+C2)	Numl Locks share	ed in	Sha pled othe	nber of res lged or erwise ambere As a % of total Share s held	Numb er of equity shares held in demat erializ ed form
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-total (A) (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	-	2	2,19,37,054	-	-	2,19,37,054	99.82 %	2,19,37,054	99.82%	-	99.82%	-	-	-	-	[•]



III. Shareholding pattern of the Public shareholder

Cat ego ry	Category of Shareholder	PA N	Nos. of shar ehol ders	No. of fully paid up equity shares held	No. of Par tly pai d-up equ ity sha res hel d	No. of sha res un der lyin g De pos itor y Rec eipt s	Total nos. shares held	Shareh olding as a % of total no. of shares (calcul ated as per SCRR, 1957) As a % of (A+B+C2)	Number Voting held in class of securiti No of Votin g Rights	Rights each	No. of Shares Underl ying Outsta nding convert ible securiti es (includ ing Warra nts)	Sharehol ding, as a % assumin g full conversi on of converti ble securities (as a % of diluted share capital) As a % of (A+B+C 2)	Numi of Lo in sha	cked	of Sha pled or othe e	res lged erwis umbe As a % of tota l Sha res hel d (b)	Num ber of equit y share s held in dema terial ized form
(1)	Institutions																
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	_	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-	_	-	-	-	-	-	-
(g)	Insurance Companies	_	_	ı	_	_	-	_	_	-	_	-	_	-	-	_	_
(h)	Provident Funds/ Pension Funds	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other	-	-	-	-	-	-	-	-	-	-	-	-	_	-	-	-



Cat ego ry	Category of Shareholder	PA N	Nos. of shar ehol ders	No. of fully paid up equity shares held	No. of Par tly pai d-up equ ity sha	No. of sha res un der lyin g De pos itor	Total nos. shares held	Shareh olding as a % of total no. of shares (calcul ated as per SCRR,	Number Voting I held in a class of securities	Rights each es	No. of Shares Underl ying Outsta nding convert ible securiti es (includ	Sharehol ding, as a % assumin g full conversi on of converti ble securitie	Num of Lo in sha	cked ares	of Sha pled or othe e ence	lged erwis umbe	Num ber of equit y share s held in dema terial ized
					res hel d	Rec eipt s		1957) As a % of (A+B+ C2)	No of Votin g Rights	Total as a % of Total Voting Rights	ing Warra nts)	s (as a % of diluted share capital) As a % of (A+B+C 2)	No. (a)	As a % of tota l Sha res hel d (b)	N o. (a	As a % of tota l Sha res hel d (b)	form
												,	(4.))	(2)	
	Sub-total (B) (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Central Government/State Government(s)/ President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B) (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	Non-Institutions																
(a)	Individuals																
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs	-	6	40,000	-	-	40,000	0.18%	40,000	0.18%	-	0.18%	-	-	-	-	[•]
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



Cat ego ry	Category of Shareholder	PA N	Nos. of shar ehol ders	No. of fully paid up equity shares held	No. of Par tly pai d-up equ ity sha	No. of sha res un der lyin g De pos itor	Total nos. shares held	Shareh olding as a % of total no. of shares (calcul ated as per SCRR, 1957)	Number Voting held in class of securities	Rights each	No. of Shares Underl ying Outsta nding convert ible securiti es (includ	Shareholding, as a % assuming full conversion of convertible securities	Numl of Lo in sha	cked	of Sha pled or othe e	res lged erwis umbe	Num ber of equit y share s held in dema terial ized
					res hel d	y Rec eipt s		As a % of (A+B+ C2)	Votin g Rights	as a % of Total Voting Rights	ing Warra nts)	(as a % of diluted share capital) As a % of (A+B+C		a % of tota l Sha res hel d	0.	a % of tota l Sha res hel d	form
												2)	(a)	(b)	(a)	(b)	
(d)	Overseas Depositories (holding DRs) (balancing figure)	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (Specify)	•	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)(3)	-	6	40,000	-	-	40,000	0.18%	40,000	0.18%	-	0.18%	-	-	-	-	[•]
	Total Shareholding of Public (B)= (B)(1)+(B)(2)+ (B)(3)	-	6	40,000	-	-	40,000	0.18%	40,000	0.18%	-	0.18%	-	-	-	-	[•]



IV. Shareholding pattern of the Non Promoter- Non Public shareholder

C at eg or y	Category of Shareholder	PA N*	Nos. of share holde rs	No. of fully paid up equity shares held	No. of Par tly pai d-up equ ity sha	No. of sha res un der lyin g De pos	Total nos. shares held	Shareh olding as a % of total no. of shares (calcul ated as per SCRR,	Numbe Voting held in class of securiti	Rights each es	No. of Shares Underlyi ng Outstan ding converti ble securitie s	Sharehol ding, as a % assumin g full conversi on of converti ble securitie	Num of Lo in sh	ocked ares	of Sha pled or othe e ence red	lged erwis umbe	Num ber of equit y share s held in dema terial
					res hel d	itor y Rec eipt s		1957) As a % of (A+B+ C2)	No of Votin g Rights	Total as a % of Total Votin g Right s	(includin g Warrant s)	s (as a percenta ge of diluted share capital) As a % of (A+B+C 2)	No. (a)	As a % of tota l Sha res hel d (b)	(a	As a % of tota l Sha res hel d (b)	ized form
(1	Custodian / DR Holder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Name of DR Holder (if applicable)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2	Sub total (C)(1) Employee Benefit Trust (under SEBI (Share based Employee Benefit)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Regulations, 2014) Sub total (C)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non-Promoter Non-Public	ı	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-



a e; o y	g	PA N*	Nos. of share holde rs	No. of fully paid up equity shares held	No. of Par tly pai d-up equ ity sha res	No. of sha res un der lyin g De pos itor	Total nos. shares held	Shareh olding as a % of total no. of shares (calcul ated as per SCRR, 1957)	Numbe Voting held in class of securiti	Rights each	No. of Shares Underlyi ng Outstan ding converti ble securitie s (includin	Shareholding, as a % assuming full conversion of convertible securities	Num of Lo in sh	cked	of Sha pled or oth e	dged erwis umbe	Num ber of equit y share s held in dema terial ized
					hel d	y Rec eipt s		As a % of (A+B+ C2)	Votin g Rights	as a % of	g Warrant s)	(as a percenta ge of diluted share capital) As a % of (A+B+C 2)	(a)	a % of tota l Sha res hel d (b)	(a)	a % of tota l Sha res hel d (b)	form
	Shareholding (C) = $(C)(1)+(C)(2)$																

Note: PAN of shareholders will be provided to the Stock Exchange by our Company prior to listing of its Equity Shares on the Stock Exchange.

In terms of SEBI Listing Regulations, our Company shall ensure that the Equity Shares held by the Promoter / members of the Promoter Group shall be dematerialised prior to filing the Prospectus with the RoC.

Our Company will file the shareholding pattern or our Company, in the form prescribed under Regulation 31 of the SEBI Listing Regulations, one day prior to the listing of the Equity shares. The Shareholding pattern will be uploaded on the website of BSE before commencement of trading of such Equity Shares.



9. Following are the details of the holding of securities (including shares, warrants, convertible securities) of persons belonging to the category "Promoter and Promoter Group":

		Pre –	Offer	Post –	Offer
Sr. No.	Name of the Shareholder	No. of Equity Shares	% of Pre- Offer Capital	No. of Equity Shares	% of Post- Offer Capital
(I)	(II)	(III)	(IV)	(V)	(VI)
	Promoter				
1	Diamond Power Infrastructure Limited	99,60,000	45.32%	40,26,000*	18.32%
2	Diamond Power Transmission Private Limited	1,19,77,054	54.50%	1,19,77,054	54.50%
	Total	2,19,37,054	99.82%	1,60,43,054	72.82%

^{*}Post-offer number of equity shares are calculated after taking offer for sale of 59,34,000 Equity shares by DPIL.

As on the date of the Draft Prospectus, our Promoter Group does not hold any Equity Shares of the Company.

10. The average cost of acquisition of or subscription to Equity Shares by our Promoter is set forth in the table below:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Diamond Power Infrastructure		9.96
Limited	99,60,000	9.90
Diamond Power Transmission	1 10 77 054	20.00
Private Limited	1,19,77,054	20.00

- 11. No persons belonging to the category "Public" holds securities (including shares, warrants, convertible securities) of more than 1% of the total number of shares.
- 12. The lists of top 10 shareholders of our Company and the number of Equity Shares held by them as on the date of filing, ten days before the date of filing and two years before the date of filing of this Draft Prospectus are set forth below:
 - a. Particulars of the top ten shareholders as on the date of filing this Draft Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of Total Paid-Up Capital		
1.	Diamond Power Transmission Private Limited	1,19,77,054	54.50%		
2.	Diamond Power Infrastructure Limited	99,60,000	45.32%		
3.	Amit Bhatnagar	19,980	0.09%		
4.	Sumit Bhatnagar	19,980	0.09%		
5.	Mona Bhatnagar	10	0.00%		
6.	Richa Bhatnagar	10	0.00%		
7.	Madhurilata Bhatnagar	10	0.00%		
8.	S.N. Bhatnagar (HUF)	10	0.00%		
	Total	2,19,77,054	100.00%		

Note: Our Company has only 8 shareholders as on the date of filing of this Draft Prospectus



b. Particulars of top ten shareholders ten days prior to the date of filing this Draft Prospectus:

Sr. No.	Name of Shareholders	Number of Equity Shares	% of then existing Paid- Up Capital	
1.	Diamond Power Transmission Private Limited	1,19,77,054	54.50%	
2.	Diamond Power Infrastructure Limited	99,60,000	45.32%	
3.	Amit Bhatnagar	19,980	0.09%	
4.	Sumit Bhatnagar	19,980	0.09%	
5.	Mona Bhatnagar	10	0.00%	
6.	Richa Bhatnagar	10	0.00%	
7.	Madhurilata Bhatnagar	10	0.00%	
8.	S.N. Bhatnagar (HUF)	10	0.00%	
	Total	2,19,77,054	100.00%	

Note: Our Company had only 8 shareholders ten days prior to the date of filing of this Draft Prospectus

c. Particulars of the top ten shareholders two years prior to the date of filing of this Draft Prospectus:

Sr. No	Name	Number of Equity Shares	% of then existing Paid- Up Capital	
1.	Diamond Power Infrastructure Limited	99,60,000	99.60%	
2.	Amit Bhatnagar	19,980	0.20%	
3.	Sumit Bhatnagar	19,980	0.20%	
4.	Mona Bhatnagar	10	0.00%	
5.	Richa Bhatnagar	10	0.00%	
6.	Madhurilata Bhatnagar	10	0.00%	
7.	S.N. Bhatnagar (HUF)	10	0.00%	
	Total	1,00,00,000	100.00%	

Note: Our Company had only 7 shareholders two years prior to the date of filing of this Draft Prospectus

- 13. Our Company does not have any Employee Stock Option Scheme/ Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed offer. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.
- 14. Neither the Lead Manager viz. Pantomath Capital Advisors Private Limited, nor their associates hold any Equity Shares of our Company as on the date of the Draft Prospectus.
- 15. Under-subscription in the net offer, if any, in any category, would be allowed to be met with spill over from any other category or a combination of categories at the discretion of our Company in consultation with the Lead Manager and the SME Platform of BSE.
- 16. The unsubscribed portion in any reserved category (if any) may be added to any other reserved category.
- 17. The unsubscribed portion if any, after such inter se adjustments among the reserved categories shall be added back to the net offer to the public portion.



- 18. There are no Equity Shares against which depository receipts have been issued.
- 19. Other than the Equity Shares, there are is no other class of securities issued by our Company.
- 20. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Draft Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Offer, by way of split/consolidation of the denomination of Equity Shares. However our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company
- 21. None of the persons/entities comprising our Promoter Group, or our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of any such entity/individual or otherwise during the period of six months immediately preceding the date of filing of this Draft Prospectus.
- 22. Our Company, our Promoters, our Directors and the Lead Manager have not entered into any buy back or standby or similar arrangements for the purchase of Equity Shares being offered through the Offer from any person.
- 23. There are no safety net arrangements for this public offer.
- 24. An over-subscription to the extent of 10% of the Offer can be retained for the purpose of rounding off to the nearest multiple of minimum allotment lot, while finalising the Basis of Allotment. In such an event, the Equity Shares held by our Promoters and subject to lock- in shall be suitably increased; so as to ensure that a minimum of 20% of the post Offer paid-up capital is locked in.
- 25. In case of over-subscription in all categories the allocation in the Offer shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.
- 26. As on date of this Draft Prospectus there are no outstanding warrants, options or rights to convert debentures loans or other financial instruments into our Equity Shares.
- 27. All the Equity Shares of our Company are fully paid up as on the date of the Draft Prospectus. Further, since the entire Offer price in respect of the Offer is payable on application, all the successful applicants will be allotted/transferred fully paid-up equity shares and thus all shares offered through this issue shall be fully paid-up.
- 28. As per RBI regulations, OCBs are not allowed to participate in this Issue.
- 29. Since this is an offer for sale by the existing shareholder of our Company, we have not raised any bridge loan.
- 30. Our Company undertakes that at any given time, there shall be only one denomination for our Equity Shares, unless otherwise permitted by law.
- 31. Our Company shall comply with such accounting and disclosure norms as specified by SEBI from time to time.
- 32. An Applicant cannot make an application for more than the number of Equity Shares being offered through this Offer, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investors.
- 33. No payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters to the persons who receive allotments, if any, in this Issue.



- 34. We have 8 shareholders as on the date of filing of the Draft Prospectus.
- 35. Except for the Equity Shares offered by Our Promoters, our Promoters and the members of our Promoter Group will not participate in this Offer.
- 36. Our Company has not made any public issue since its incorporation.
- 37. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group between the date of filing the Draft Prospectus and the Offer Closing Date shall be reported to the Stock Exchange within twenty-four hours of such transaction.
- 38. For the details of transactions by our Company with our Promoter Group, Group Companies for the financial period ended September 30, 2015 and for the financial years ended March 31, 2015, 2014, 2013, 2012 and 2011 please refer to paragraph titled "Details of Related Parties Transactions as Restated" in the chapter titled *'Financial Statements as restated'* on page 167 of the Draft Prospectus.
- 39. None of our Directors or Key Managerial Personnel holds Equity Shares in our Company, except as stated in the chapter titled "*Our Management*" beginning on page 142 of the Draft Prospectus.



OBJECTS OF THE OFFER

The objects of the Offer are to achieve the benefits of listing the Equity Shares on the Designated Stock Exchange and for the sale of 59,34,000 Equity Shares by the Selling Shareholders ("Diamond Power Infrastructure Limited" or "DPIL").

Further, our Company expects that the listing of the Equity Shares will enhance our visibility and brand image among our existing and potential customers and provide liquidity to the existing shareholders. Our Company will not receive any proceeds of the Offer and all the proceeds will go to the Selling Shareholders.

Offer Related Expenses

The expenses for this Offer include, among others, listing fees, underwriting and management fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses fees, as applicable. The total expenses for this Offer are estimated to be approximately Rs. 50.00 lakhs

Activity	Estimated Expenses	As a % of the total estimated Offer Expenses	As a % of the total Offer Size
Payment to Merchant Banker including expenses towards printing and payment to other intermediaries such as Registrar, Banker, etc	32.00	64.00	2.70
Advertising and marketing expense	10.00	20.00	0.84
Brokerage and selling commission	3.00	6.00	0.25
Others (listing fees, legal fees, etc.)	5.00	10.00	0.42
Total estimated offer expenses	50.00	100.00	4.21

The listing fees in relation to the Offer shall be borne by the Company and all other expenses shall be borne by the Selling Shareholder. Payments, if any, made by our Company in relation to the offer shall be on behalf of the Selling Shareholder and such payments will be reimbursed by the Selling Shareholder to our company.

Monitoring of Utilization of Funds

Since the Offer is an offer for sale and our Company will not receive any proceeds from the Offer, our Company is not required to appoint a monitoring agency for the Offer.



BASIS FOR OFFER PRICE

The Offer Price of Rs. 20 per Equity Share has been determined by the Selling Shareholder, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors.

The face value of the Equity Share is Rs. 10 each and Offer Price is Rs. 20 per Equity Share which is 2 times of the face value.

QUALITATIVE FACTORS

Some of the qualitative factors, which form the basis for computing the price, are:

- Government contractor
- Highly crafted and well-engineered product base
- Technically sound and experienced management
- Quality assurance
- Well equipped manufacturing facilities
- Wide range of products

For further details, refer to heading "Our Competitive Strengths" under chapter titled "Our Business" beginning on page 119 of this Draft Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company for Financial Year 2013, 2014 and 2015 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Basic and Diluted Earnings per Share (EPS) as per Accounting Standard 20

Year ended	EPS (Rs.)	Weight	
March 31, 2013	0.17	1	
March 31, 2014	5.87	2	
March 31, 2015	(40.56)	3	
Weighted average	(18.30)		
For the half year ended September 30, 2015*	(0.10)		

^{*}Not annualised

2. Price to Earnings (P/E) ratio in relation to Offer Price of Rs. 20 per Equity Share of Rs. 10 each fully paid up.

Particulars Particulars	P/E Ratio
P/E ratio based on Basic EPS for FY 2014-15	N.A.**
P/E ratio based on Weighted Average EPS	N.A.**
*Industry P/E	
Lowest	N.A.**
Highest	54.50
Average	N.A.**

^{*}Industry Composite comprises Indo Tech Transformers Limited, Transformers and Rectifiers (India) Limited, Voltamp Transformers Limited, EMCO Limited and RTS Power Corporation Limited.

^{**}Since EPS is negative, P/E is not ascertainable.



3. Return on Net worth (RoNW)

Return on Net Worth ("RoNW") as per restated financial statements

Year ended	RoNW (%)	Weight
March 31, 2013	0.30%	1
March 31, 2014	9.36%	2
March 31, 2015	(183.22)%	3
Weighted Average	(88.44)%	
For the half year ended September 30, 2015*	(0.43)%	

^{*}Not annualised

Note: The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year excluding miscellaneous expenditure to the extent not written off.

4. Minimum Return on Total Net Worth post offer needed to maintain Pre Issue EPS for the year ended March 31, 2015- Not applicable as EPS is negative

5. Net Asset Value (NAV)

Particulars Particulars Particulars	Amount (in Rs.)
Net Asset Value per Equity Share as of March 31, 2015	22.14
Net Asset Value per Equity Share as on September 30, 2015	22.04
Net Asset Value per Equity Share after the Offer	20.93
Offer Price per equity share	20.00

Net Asset Value per Equity Share has been calculated as net worth divided by number of equity shares outstanding at the end of the period.

There shall be no change in NAV after the offer as the offer is by offer for sale by the Selling Shareholders except for the below:

Our Company has issued 1,19,77,054 shares to Diamond Power Transmission Private Limited on January 11, 2016 at a price of Rs. 20/- per equity share.

6. Comparison with other listed companies

Companies	СМР	EPS	PE Ratio	RONW %	NAV (Per Share)	Face Valu e	Revenue from Operatio ns (In Crores)
Diamond Power Transformers Limited	20.00**	(40.56)	NA	(183.22)%	22.14	10	328.64
Peer Group*							
Indo Tech Transformers Limited	208.50	(3.52)	NA	(2.48)%	142.04	10	156.91
Transformers and Rectifiers (India) Limited	242.30	(4.87)	NA	(1.97)%	242.53	10	541.69
Voltamp Transformers Limited	875.50	28.08	31.18	6.45%	435.71	10	516.89
EMCO Limited	27.25	0.50	54.50	0.56%	86.11	2	912.23
RTS Power Corporation Limited	39.95	0.77	51.88	1.41%	54.61	10	170.85

*Source: www.bseindia.com



**Offer Price is considered as CMP for our Company.

Notes:

- Considering the nature of business of the Company the peers are not strictly comparable. However same have been included for broad comparison.
- The figures for Diamond Power Transformers Limited are based on the restated financial statements for the year ended March 31, 2015.
- The figures for the peer group are based on standalone audited results for the respective year ended March 31, 2015.
- Current Market Price (CMP) is the closing prices of respective scripts as on January 22, 2015.
- The Offer Price of Rs. 20 per Equity Share has been determined by the Selling Shareholder in consultation with the LM and is justified based on the above accounting ratios.

For further details see section titled "Risk Factors" beginning on page 16 and the financials of the Company including profitability and return ratios, as set out in the section titled "Financial Statements" beginning on page 167 of this Draft Prospectus for a more informed view.



STATEMENT OF POSSIBLE TAX BENEFITS

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

To

The Board of Directors
Diamond Power Transformers Limited
Vadodara
Dear Sirs,

Sub: Statement of possible special tax benefits ("the Statement") available to Diamond Power Transformers Limited ('the Company") and its shareholders prepared in accordance with the requirements in Schedule VIII-Clause (VII) (L) of the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2009, as amended ("the Regulations")

We hereby report that the enclosed annexure, prepared by the Management of the Company, states the possible special tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act') as amended by the Finance Act, 2015 (i.e. applicable to Financial Year 2015-16 relevant to Assessment Year 2016-17), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the Act. Hence, the ability of the Company or its shareholders to derive the special tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure cover only special tax benefits available to the Company and its Shareholders and do not cover any general tax benefits available to the Company or its Shareholders. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed offer, particularly in view of ever changing tax laws in India.

We do not express any opinion or provide any assurance as to whether:

- the Company or its shareholders will continue to obtain these benefits in future; or
- The conditions prescribed for availing the benefits have been/would be met.

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws.

*No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change.



We shall not be liable to Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct.

The enclosed annexure is intended for your information and for inclusion in the Draft Prospectus in connection with the proposed offer of equity shares and is not to be used, referred to or distributed for any other purpose without our written consent.

For M/s. Ramanand & Associates Chartered Accountants Firm Registration No.: 117776W

CA Ramanand Gupta Partner Membership No.: 103975

Date: February 5, 2016

Place: Mumbai



ANNEXURE TO THE STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India for the Financial Year 2015-16.

A. SPECIAL TAX BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

The Company is not entitled to any special tax benefits under the Act.

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS UNDER THE INCOME TAX ACT, 1961 (THE "ACT"

The Shareholders of the Company are not entitled to any special tax benefits under the Act.



SECTION IV – ABOUT THE COMPANY

OUR INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Offer have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Prospectus, including the information contained in the sections titled "Risk Factors" and "Financial Statements" and related notes beginning on page 16 and 167 respectively of this Draft Prospectus before deciding to invest in our Equity Shares.

INDUSTRY OVERVIEW

The Indian transformer industry is one of the oldest manufacturing segments in the country and is broadly categorised in to power and distribution transformers. The technology used is contemporary and two types of core materials are generally used. CRGO forms the major chunk of core material while amorphous metals used by limited numbers of manufacturers as core material but the usage is increasing.

India has always been an exporter of transformers and this avenue is set to become even more lucrative in the coming years. Exports from India are diverse including power transformers, distribution transformers and even special purpose transformers. It is estimated that around 15 per cent of India's production of power transformers is destined for international markets. With India proving its technological edge by producing even 1,200kV transformers, surpassing global standards, the country has a very bright future. It is not only developing African and Central Asian economies that are importing from India; India-made transformers are even finding their way in developed markets like USA, UK, Canada, South Africa etc.

India has been net exporter of transformers till now. Several of international players who already have base in India are looking forward to making their Indian setups as manufacturing base for supplying to other countries. The Indian transformer industry is gradually gaining prominence in developed markets on the basis of its quality and pricing.

The domestic transformer industry has the potential of becoming the manufacturing or sourcing hub for the supply of transformers in foreign markets.

The market is highly fragmented with a large number of small and medium enterprises involved in the manufacturing processes, and is dominated by organised players. The domestic manufacturing industry is fairly well established with manufacturers having capabilities to develop all type of transformers up to the 800 kV and 1,200 kV levels. The industry also exports to several countries including the US, South Africa, Cyprus, Syria & Iraq, apart from Europe.

(Source: http://www.eprmagazine.com/article.php?ItemId=778&CategoryId=4)

GLOBAL ECONOMIC ENVIRONMENT

The global economic environment appears poised for a change for the better with the recent sharp fall in the international prices of crude petroleum, which is expected to boost global aggregate demand, and the sharp recovery in the US economy in the face of gradual withdrawal from monetary accommodation. Following the global crisis of 2008, the global economy came under a cloud of uncertainty and the prolonged weakness in the euro area, particularly since 2011, led to the (IMF) often revising global growth downwards in its World Economic Outlook (WEO). In its Update, published on 20 January 2015, the IMF projected the global economy to grow from 3.3 per cent in 2014 to 3.5 per cent in 2015 and further to 3.7 per cent in 2016. This downward revision from its



October 2014 projections owed to the weaker economic prospects in China, Russia, the euro area, Japan, and some major oil exporters because of the sharp drop in oil prices. The United States is the only major economy for which growth projections have been raised by 0.5 percentage point to 3.6 per cent for 2015. In the case of emerging market and developing economies (EMDEs), which continue to struggle with tepid domestic demand and headwinds from structural impediments, the IMF Update projects growth to moderate to 4.3 per cent in 2015 and 4.7 per cent in the year 2016.

Going forward, the lower oil price is likely to be more positive for the EMDEs that account for more than half of the global output (purchasing power parity terms) given their higher contribution to global growth with inflation remaining anchored. This might lead to a better outcome than projected. A sudden correction in financial markets and downside risks to growth with a possible further slowdown in the euro area along with the likely duration of the oil price supply shock effect, are some of the concerns that linger on.

(Source: Economic Survey 2014-15 - Volume II; <u>www.indiabudget.nic.in</u>)

INDIAN ECONOMY

India is set to become the world's fastest-growing major economy by 2016 ahead of China, the International Monetary Fund (IMF) said in its recent latest forecast. India is expected to grow at 6.3 per cent in 2015, and 6.5 per cent in 2016 by when it is likely to cross China's projected growth rate, the IMF said in the latest update of its World Economic Outlook.

India's macro-economic prospects have strengthened and the country is best positioned among emerging market economies, gaining global investor's attention, says a report by ICICI Bank. The improvement in India's economic fundamentals has accelerated in FY2015 with the combined impact of a strong Government mandate, RBI's inflation focus supported by benign global commodity prices.

(Source: India Brand Equity Foundation; www.ibef.org)

OUTLOOK FOR GROWTH

In the coming year, real GDP growth at market prices is estimated to be about 0.6-1.1 percentage points higher vis-a-vis 2014-15. This increase is warranted by four factors. First, the government has undertaken a number of reforms and is planning several more. Their cumulative growth impact will be positive. A further impetus to growth will be provided by declining oil prices and increasing monetary easing facilitated by on-going moderation in inflation. Simulating the effects of tax cuts, declining oil prices will add spending power to households, thereby boosting consumption and growth. Oil is also a significant input in production, and declining prices will shore up profit margins and hence balance sheets of the corporate sector. Declining input costs are reflected in the wholesale price index which moved to deflation territory in January 2015.

Further declines in inflation and the resulting monetary easing will provide policy support for growth both by encouraging household spending in interest-sensitive sectors and reducing the debt burden of firms, strengthening their balance sheets. The final favourable impulse will be the monsoon which is forecast to be normal compared to last year. Using the new estimate for 2014-15 as the base, this implies growth at market prices of 8.1- 8.5 per cent in 2015-16. The power of growth to lift all boats will depend critically on its employment creation potential.

(Source – Economic Survey 2014-2015 - Volume I; www.indiabudget.nic.in)

OUTLOOK FOR REFORMS

In the months ahead, several reforms will help boost investment and growth. The budget should continue the process of fiscal consolidation, embedding actions in a medium-term framework. India's overall revenue-to-GDP ratio (for the general government) for 2014 is estimated at 19.5 per cent by



the IMF. This needs to move toward levels in comparator countries—estimated at 25 per cent for emerging Asian economies and 29 per cent for the emerging market countries in the G-20.

Since assuming office in May 2014, the new government has undertaken a number of new reform measures whose cumulative impact could be substantial.

These include:

- Deregulating diesel prices, paving the way for new investments in this sector;
- Raising gas prices from US\$ 4.2 per million British thermal unit to US\$ 5.6, and linking pricing, transparently and automatically, to international prices so as to provide incentives for greater gas supply and thereby relieving the power sector bottlenecks;
- Taxing energy products. Since October, taking advantage of declining oil prices, the excise tax on diesel and coal was increased four times. In addition to resulting in collections of about 70,000 crore (on an annualized basis), this action will have positive environmental consequences:
- Replacing the cooking gas subsidy by direct transfers on a national scale;
- Instituting the Expenditure Management Commission, which has submitted its interim report for rationalizing expenditures;
- Passing an ordinance to reform the coal sector via auctions;
- Securing the political agreement on the goods and services tax (GST) that will allow legislative passage of the constitutional amendment bill;
- Instituting a major program for financial inclusion—the Pradhan Mantri Jan Dhan Yojana under which over 12.5 crore new accounts have been opened till mid-February 2014;
- Continuing the push to extending coverage under the Aadhaar program, targeting enrolment for 1 billion Indians; as of early February, 757 million Indians had been bio-identified and 139-Aadhaar linked bank accounts created;
- Increasing FDI caps in defence;
- Eliminating the quantitative restrictions on gold;
- Passing an ordinance to make land acquisition less onerous, thereby easing the cost of doing business, while ensuring that farmers get fair compensation;
- Facilitating Presidential Assent for labour reforms in Rajasthan, setting an example for further reform initiatives by the states; and consolidating and making transparent a number of labour laws; and
- Passing an ordinance increasing the FDI cap in insurance to 49 per cent. Commencing a program of disinvestments under which 10 per cent of the government's stake in Coal India was offered to the public, yielding about Rs 22,500 crore, of which Rs 5,800 crore was from foreign investors;
- Passing the Mines and Minerals (Development and Regulation) (MMDR) Amendment Ordinance, 2015 is a significant step in revival of the hitherto stagnant mining sector in the country. The process of auction for allotment would usher in greater transparency and boost revenues for the States.

(Source: Economic Survey 2014-15 – Volume I; <u>www.indiabudget.nic.in</u>)

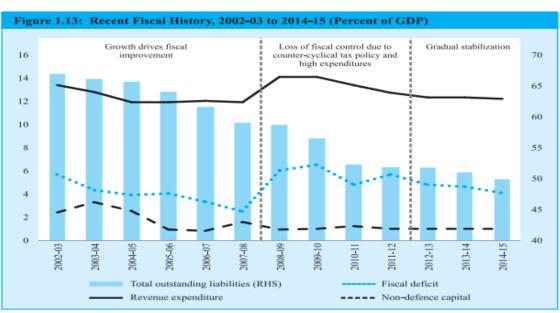
FISCAL FRAMEWORK

Notwithstanding the challenging nature of the 2014-15 budget, elaborated in the Mid-Year Economic Analysis 2014-15, the Government will adhere to the fiscal target of 4.1 per cent of GDP. Despite weakness in revenue collection and delayed disinvestment, new excises on diesel and petrol (revenue yield of about Rs 20,000 crore), reduced subsidies, and expenditure compression will ensure the commitment to discipline. India can reconcile the requirements of fiscal consolidation and the imperative of boosting public investment to revive growth and crowd-in private investment provided the right lessons are learnt.



Since this is the first full budget of the new government, and especially in light of the far-reaching recommendations of the Fourteenth Finance Commission, the time is ripe for reviewing the medium-term framework and setting targets for the upcoming year against that background and taking account of the lessons of recent history three phases marked recent fiscal history:

- 1. First the rapid growth improved all fiscal aggregates, flows and stocks. But failure to control expenditure, especially revenue expenditure, towards the end of that phase, combined with excessive counter-cyclical policies in the second phase (2009-12) led to a loss of fiscal control that contributed to the near-crisis of 2013. A casualty has been low and stagnating capital expenditure. In the third phase (2013-today), a modicum of fiscal stability has been restored. This history suggests the following strategy going forward. First, in the medium term, India must meet its medium-term target of 3 per cent of GDP. This will provide the fiscal space to insure against future shocks and also to move closer to the fiscal performance of its emerging market peers. It must also reverse the trajectory of recent years and move toward the 'golden rule' of eliminating revenue deficits and ensuring that, over the cycle, borrowing is only for capital formation.
- 2. Second, the way to achieve these targets will be expenditure control and expenditure switching from consumption to investment. And the secular decline in capital expenditure in the last decade has undermined India's long run growth potential. From 2016-17, as growth gathers steam and as the GST is implemented, the consequential tax buoyancy when combined with expenditure control will ensure that medium term targets can be comfortably met. This buoyancy is assured by history because over the course of the growth surge in the last decade, the overall tax-GDP ratio increased by about 2.7 percentage points, from 9.2 per cent in 2003-04 to 11.9 per cent in 2007-08 even without radical tax reform.
- 3. Third, the medium-term commitment to discipline cannot result in an Augustinian deferment of actions. In the upcoming year, too, fiscal consolidation must continue. However, the need for accelerated fiscal consolidation has lessened because macroeconomic pressures have significantly abated with the dramatic decline in inflation and turnaround in the current account deficit.



Source: Budget Documents and CSO.

Note: Numbers for 2013-14 and 2014-15 are revised estimates and budget estimates, respectively.

(Source: Economic Survey 2014-15 – Volume I; <u>www.indiabudget.nic.in</u>)



MARKET SIZE

The government, engineering an economic rebound with a slew of reforms, has unveiled a new statistical method to calculate the national income with a broader framework that turned up a pleasant surprise: GDP in the past year 2013-14 grew 6.9 per cent instead of the earlier 4.7 per cent.

The revision in base year of India's national accounts will increase the size of the economy to Rs 111.7 trillion (US\$ 1.8 trillion) in FY14, according to India Ratings. The size of the Indian economy was at about Rs 93.89 trillion (US\$ 1.51 trillion) in 2012-13.

Also, Capital Economics (CE), an independent macro-economic research company, released its India Watch research report recently, cataloguing its interpretation and expectations on the upcoming Budget 2015. It sees Indian economy expanding by 5.5 per cent in 2015, owing to the fall in crude oil prices and interest rates.

Stating that its great time to invest in India, Minister of State for Finance Mr Jayant Sinha said the Indian economy has potential to become a US\$ 4-5 trillion economy in the next 10-12 years.

INVESTMENTS

With the improvement in the economic scenario, there have been quite a few investments in various sectors along with M&A in India. Some of them are as follows:

- India has emerged as one of the strongest performers in the deal-street across the world as mergers and acquisitions (M&A). M&A activity increased in 2014 with deals worth US\$ 38.1 billion being concluded, compared to US\$ 28.2 billion in 2013 and US\$ 35.4 billion in 2012.
- The combined index of eight core industries stood at 166.2 in November 2014 6.7 per cent higher compared to the index of November 2013. Its cumulative growth during April to November, 2014–15 was 4.6 per cent.
- India and Germany have decided to set up two working groups—one on circular economy and other on water management—after a meeting with German Environment Minister Ms Barbara Hendricks. After a recent meeting, the two sides announced that the focus of the working groups would be on restoration of water bodies, waste management and more efficient use of water resources.
- The Union Cabinet, chaired by the Prime Minister Shri Narendra Modi, has given its approval to enter into a memorandum of understanding (MoU) for strengthening cooperation in the field of tourism, between the Ministry of Tourism, Government of India and the Ministry of Tourism, Government of the Sultanate of Oman.
- India's consumer confidence continues to remain highest globally and showed improvement in the fourth quarter of calendar year 2014 (Q4), riding on positive economic environment and lower inflation. Nielsen's findings reveal that the consumer confidence of urban India increased by three points in Q4 from the preceding quarter. With a score of 129 in Q4, urban India's consumer confidence is up by 14 points from the corresponding period of the previous year (Q4 of 2013) when it stood at 115.
- India's foreign exchange reserves touched a record US\$ 322 billion, surpassing the previous high of almost US\$ 321 billion in September 2011. Latest data released shows an accretion of US\$ 2.7 billion during the week ended January 16, 2015, essentially due to a rise in foreign currency assets. Market players said RBI has been buying dollars to ensure that the rupee stays strong. At current levels, reserves are sufficient to cover imports for eight-and-a-half months.
- The government has announced that foreign investors can put in as much as Rs 90,300 crore (US\$ 14.55 billion) in India's rail infrastructure through the FDI route, according to a list of projects released by the Ministry of Railways. The Rs 63,000 crore (US\$ 10.15 billion) Mumbai-Ahmedabad high-speed corridor project is the single largest. The other big ones include the Rs 14,000 crore (US\$ 2.25 billion) CSTM-Panvel suburban corridor, to be implemented in public-private partnership (PPP), and the Rs 1,200 crore (US\$ 193.46 million) Kachrapara rail coach factory, besides multiple freight line, electrification and signalling projects.



GOVERNMENT INITIATIVES

India has become a promising investment destination for foreign companies looking to do business here. Mr Narendra Modi, Prime Minister of India, has launched the 'Make in India' initiative with the aim to give the Indian economy global recognition. This initiative is expected to increase the purchasing power of the common man, which would further boost demand, and hence spur development, in addition to benefiting investors. The steps taken by the government in recent times have shown positive results as India's gross domestic product (GDP) at factor cost at constant (2004-05) prices for Q1 of 2014-15 is estimated at Rs. 14.38 trillion (US\$ 231.83 billion), as against Rs 13.61 trillion (US\$ 219.42 billion) in Q1 of 2013-14, registering a growth rate of 5.7 per cent.

Based on the recommendations of the Foreign Investment Promotion Board (FIPB), the Government of India has approved 14 proposals of FDI amounting to Rs 1,528.38 crore (US\$ 246.42 million) approximately. Out of the 14 approved proposals, six of them belonged to the pharmaceutical sector which was the highest number of approvals for any sector.

ROAD AHEAD

The International Monetary Fund (IMF) and the World Bank in a joint report have forecasted that India will register a growth of 6.4 per cent in 2015, due to renewed confidence in the market brought about by a series of economic reforms pursued by the government. A United Nations body pegged India's economic growth at 8.1 per cent for 2015-16.

Only India is anticipated to witness better growth momentum among the BRIC bloc whereas other member countries are expected to see stable growth momentum, according to Organisation for Economic Cooperation and Development (OECD).

India could become the world's seventh biggest nation in terms of private wealth, with a 150 per cent increase in total, from US\$ 2 trillion in 2013 to US\$ 5 trillion in 2018, as per a recent study by the Boston Consulting Group (BCG).

Furthermore, the new 'Make in India' initiative is expected to be a vital component in India's quest for achieving wholesome economic development.

(Source: India Brand Equity Foundation;

http://www.ibef.org/archives/detail/b3ZlcnZpZXcmMzY5NDgmODQ=)

OVERVIEW OF INDIAN ECONOMY

One of the redeeming features, while comparing economic performance across different countries for the year 2014-15, has been the emergence of India among the few large economies with propitious economic outlook, amidst the mood of pessimism and uncertainties that engulf a number of advanced and emerging economies. Brighter prospects in India owe mainly to the fact that the economy stands largely relieved of the vulnerabilities associated with an economic slowdown, persistent inflation, elevated fiscal deficit, slackening domestic demand, external account imbalances, and oscillating value of the rupee in 2011-12 and 2012-13. From the macroeconomic perspective, the worst is clearly behind us. The latest indicators, emerging from the recently revised estimates of national income brought out by the Central Statistics Office, point to the fact that the revival of growth had started in 2013-14 and attained further vigour in 2014-15.

Factors like the steep decline in oil prices, plentiful flow of funds from the rest of the world, and potential impact of the reform initiatives of the new government at the centre along with its commitment to calibrated fiscal management and consolidation bode well for the growth prospects and the overall macroeconomic situation. Encouraged by the greater macro-economic stability and the reformist intent and actions of the government, coupled with improved business sentiments in the country, institutions like the IMF and the World Bank have presented an optimistic growth outlook for India for the year 2015 and beyond.



The possible headwinds to such promising prospects, however, emanate from factors like inadequate support from the global economy saddled with subdued demand conditions, particularly in Europe and Japan, recent slowdown in China, and, on the domestic front, from possible spill-overs of below normal agricultural growth and challenges relating to the massive requirements of skill creation and infrastructural up gradation. The encouraging results from the Advance Estimates for 2014-15 suggest that though the global sluggishness has partly fed into the lacklustre growth in foreign trade; yet this downward pressure has been compensated by strong domestic demand, keeping the growth momentum going.

(Source: Economic Survey 2014-2015 – Volume I; www.indiabudget.nic.in)

OUTLOOK FOR 2015-16

The macroeconomic situation in India has improved significantly during the current year. The release of the new series of national accounts revealed that the economy has been performing much better than what was being depicted earlier. The steady acceleration in services and manufacturing growth in the face of subdued global demand conditions point to the strengthening of domestic demand. Most of the buoyancy in domestic demand can be traced to consumption.

The savings-investment dynamics will be crucial for the growth to strengthen further in the coming years, in addition to reversal of the subdued export performance being currently witnessed. The key will be the response of savings to improved price and financial market stability, and of investment, particularly in the crucial infrastructure sector, to reform efforts of the Government that are underway. On the supply side, there are concerns about tentative growth patterns in construction and mining activities that need to be addressed to. This is particularly important in view of the strong inter sectoral linkages that these sectors have. The farm sector suffered from a relatively poor monsoon, but there are no indications of its spill over to be next year.

The improving rate of value addition in the economy, represented by the ratio of value added to output, and the falling incremental capital output ratio indicate better resource use in production. On the global front, the United States radiates confidence and strength, while some other structurally important economies like China, Russia, Euro area and Japan face uncertain prospects, thereby affecting global growth and investment outlook. The sharp decline in oil prices has provided an incentive for overall global growth and stability. At the same time, it has diminished fortunes of oil exporting countries that can influence economic activity adversely.

In the light of the Government's commitment to reforms, along with the improvements in price and external sector scenarios including the possibility of international oil prices remaining generally benign, the outlook for domestic macroeconomic parameters is generally optimistic, notwithstanding the uncertainties that could also arise from an increase in interest rates in the United States and situation prevailing in Greece within Euro-zone. Given the above, and assuming normal monsoons better prospects in the world economy that could provide impetus to higher exports for Indian products and services, a growth of around 8.5 per cent is in the realm of possibility in 2015-16.

(Source: Economic Survey 2014-15 - Volume I; www.indiabudget.nic.in)

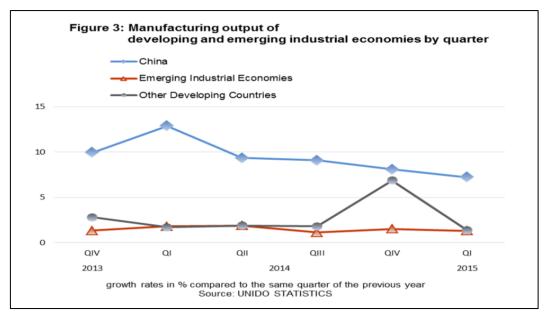
GLOBAL MANUFACTURING INDUSTRY

The recent trends in world manufacturing have been characterized by a mixture of strengthening and weakening factors such as a sharp decline in oil prices, a significant decrease in the value of the euro, a dramatic increase in the value of the US dollar, continued slowdown in China, and geopolitical and European market uncertainty. Countries' growth rates diverged depending on the nature of the impact of the abovementioned factors on the national economy.

Global manufacturing output increased by a moderate rate of 2.8 per cent in the first quarter of 2015 from 3.3 per cent in the previous quarter. The outlook for Asia's developing and emerging economies looks much better than that of the other developed regions. In contrast to the decelerating trends of other emerging industrial economies, India's manufacturing growth has increased significantly. It rose



by 3.6 per cent due to improvements in investment conditions and growing demand. Among the ASEAN economies, the manufacturing output of Indonesia rose by 5.0 per cent and Vietnam's by 9.0 per cent.



(Source: World Manufacturing Production- Statistics for Quarter I, 2015; www.unido.org)

INDIAN MANUFACTURING SECTOR

India is largely moving towards high-end manufacturing with the Government announcing multiple reforms and policies in the sector. Indian manufacturing industry is largely driven by low-cost, skilled labour, adequate land laws and reasonable cost of capital. McKinsey and Co believes that India's manufacturing sector has the potential to create up to 90 million jobs by 2025. Today, the sector generates about 45 million jobs, 80 per cent of which are in the unorganised segment.

India is increasingly adopting global approach to become a strategic player on international platform. Entry of foreign companies in manufacturing industry has anchored technology-based orientation which is subsequently helping India create a core and contemporary manufacturing sector, fed by ancillary manufacturers that rely on simple technical skills.

Deloitte's global index, 2013, for 38 nations, has ranked India the fourth most competitive manufacturing nation, behind China, the US and Germany. Not only this, but even the Global Manufacturing Competitiveness Index, 2013, based on a survey of CEOs, executives and other officials of 550 global manufacturing companies, has positioned India as second five years down the line, next only to China.

With launch of the 'Make in India' initiative, Mr Narendra Modi, the Prime Minister of India, aims to give global recognition to the Indian economy and also place India on the world map as a manufacturing hub.

India has also set for itself an ambitious target of increasing the contribution of manufacturing output to 25 per cent of gross domestic product (GDP) by 2025, from 16 per cent currently.

India's economy is expected to grow at 7.4 per cent in 2014-15 as per a Government forecast. According to a new formula which uses 2011-12 as the new 'base year', the revised statistics showed inflation-adjusted economic growth rate for October-December 2014 at 7.5 per cent, making India the fastest growing major economy in the world.



MARKET SIZE

Business conditions in the Indian manufacturing sector continued to improve in January 2015 fuelled by accelerated growth of output, marking the third straight month of expansion on the HSBC Services Purchasing Managers' Index (PMI). The PMI rose to 52.4 points in January 2015 from 51.1 in December 2014. The composite PMI that combines both services and manufacturing sectors rose to 53.3 points in January 2015 from 52.9 in the previous month.

India's manufacturing sector could touch US\$ 1 trillion by 2025, according to a report by Mckinsey and Company. There is potential for the sector to account for 25-30 per cent of the country's GDP and create up to 90 million domestic jobs by 2025.

INVESTMENTS

The Government of India has received investment proposals for electronics manufacturing worth Rs 18,000 crore (US\$ 2.89 billion) for 2015-16 and expects the figure to double in another two years.

India has become one of the most attractive destinations for investments in the manufacturing sector. Some of the major investments and developments in this sector in the recent past are:

- US-based First Solar Inc and China's Trina Solar have plans to set up manufacturing facilities in India. Clean energy investments in India increased to US\$ 7.9 billion in 2014, helping the country maintain its position as the seventh largest clean energy investor in the world.
- Samsung Electronics Co Ltd has invested Rs 517 crore (US\$ 83.11 million) towards the expansion of its manufacturing plant in Noida, Uttar Pradesh (UP) under the UP Mega Policy. "Samsung India Electronics is committed to strengthen its manufacturing infrastructure and will gradually expand capacity at this plant to meet the growing domestic demand for mobile handsets, as per the company.
- India is currently among the top 10 sourcing countries for IKEA. The plan is to double sourcing from India to €630 million (US\$ 688.61 million) by 2020.
- Shantha Biotechnics Pvt Ltd has started building a facility to manufacture Insuman, an insulin product to treat diabetes. Sanofi SA, which acquired Shantha Biotechnics, will invest Rs 460 crore (US\$ 73.93 million) to build the facility.
- BMW and Mercedes-Benz have intensified their localisation efforts to be part of 'Make in India' initiative. "The localisation efforts will reduce the waiting period and accelerate the servicing process of our cars as we had to (previously) depend on our plants overseas for supply and will help us on the pricing front."
- Suzuki Motor Corp plans to make automobiles for Africa, the company's next big bet, as well as for India at its upcoming factory in Hansalpur, near Ahmedabad, Gujarat, as per Mr Toshihiro Suzuki, Executive Vice-President, Suzuki.

GOVERNMENT INITIATIVES

In a bid to push the 'Make in India' initiative to the global level, Mr Narendra Modi, Prime Minister of India, plans to pitch India as a manufacturing destination at the World International Fair in Germany's Hannover. Mr Modi is likely to showcase India as a business friendly destination to attract foreign businesses to invest and manufacture in the country.

The Government of India has taken several initiatives to promote a healthy environment for the growth of manufacturing sector in the country. Some of the notable initiatives and developments are:

• The government has asked New Delhi's envoys in over 160 countries to focus on economic diplomacy to help government attract investment and transform the 'Make In India' campaign a success to boost growth during the annual heads of missions conference. Prime Minister Mr Modi has also utilised the opportunity to brief New Delhi's envoys about the Government's foreign policy priority and immediate focus on restoring confidence of foreign investors and augmenting foreign capital inflow to increase growth in manufacturing sector.



- The Government of Uttar Pradesh (UP) has secured investment deals valued at Rs 5,000 crore (US\$ 803.77 million) for setting up mobile manufacturing units in the state.
- The Government of Maharashtra has cleared land allotment for 130 industrial units across the state with an investment of Rs 6,266 crore (US\$ 1.01 billion)
- Dr Jitendra Singh, Union Minister of State (Independent Charge) of the Ministry of Development of North Eastern Region (DoNER), MoS PMO, Personnel, Public Grievances & Pensions, Atomic Energy and Space, Government of India, has announced the 'Make in Northeast' initiative beginning with a comprehensive tourism plan for the region.

(Source: India Brand Equity Foundation; http://www.ibef.org/industry/manufacturing-sector-india.aspx)

SPECIAL BENEFITS TO SMES: With regards to National Manufacturing (Make in India)

- The inclusion of lending to SMEs in manufacturing as part of priority sector lending.
- Easier access to bank finance through appropriate bank lending norms.
- The setting up of a stock exchange for SMEs.
- Service entity for the collection and payment of statutory dues of SMEs.
- Rollover relief from long term capital gains tax to individuals on sale of residential property in case of re-investment of sale consideration.
- A tax pass-through status for venture capital funds with a focus on SMEs in the manufacturing sector.
- Liberalization of RBI norms for banks investing in venture capital funds with a focus on SMEs, in consultation with RBI.
- The liberalization of Insurance Regulatory and Development Authority of India (IRDA) guidelines to provide for investments by insurance companies.

(Source: http://makeinindia.com/policy/national-manufacturing/)

ROAD AHEAD

The Government of India has an ambitious plan to locally manufacture as many as 181 products. The move could help infrastructure sectors such as power, oil and gas, and automobile manufacturing that require large capital expenditure and revive the Rs 1.85 trillion (US\$ 29.74 billion) Indian capital goods business.

India is an attractive hub for foreign investments in manufacturing sector. Several mobile phone, luxury and automobile brands, among others, have set up or are looking to establish their manufacturing bases in the country.

With impetus on developing industrial corridors and smart cities, the government aims to ensure holistic development of the nation. The corridors would further assist in integrating, monitoring and developing a conducive environment for the industrial development and will promote advance practices in manufacturing.

(Source: India Brand Equity Foundation; http://www.ibef.org/industry/manufacturing-sector-india.aspx)

AVERAGE CAPACITY UTILIZATION

In many sectors, average capacity utilization has almost remained same in Q-2 of 2014-15 as was in Q-1 of 2014-15. These are sectors like metals, tyre, textile machinery, capital goods. On the other hand capacity utilization has slightly improved in Q-2 in sectors like cement and ceramics, chemicals, textiles and food.



Table: Current Average Capacity Utilization Levels As Reported in Survey

Sector	Average Capacity Utilisation (%) in Q-2 2013-14	Average Capacity Utilisation (%) in Q-3 2013-14	Average Capacity Utilisation (%) in Q-4 2013-14	Average Capacity Utilisation (%) in Q-1 2014-15	Average Capacity Utilisation (%) in Q-2 2014-15
Auto	60	70	73	74	70
Capital Goods	70	70	70	70	70
Cement	73	65	72	71	80
Chemicals &					
Fertilizers	78	79	80	72	76
Textiles	78	83	79	81	82
Electronics &					
Electricals	60	60	75	75	70
Food & FMCG	86	80	78	78	82
Leather &					
Footwear	71	80	80	70	65
Metals	70	70	70	75	75
Textiles					
Machinery	60	60	60	60	60
Tyre	60	60	80	80	80
Miscellaneous	NA	NA	NA	70	NA

The current average capacity utilization as reported in the survey is around 76% for Q-2 which is same as the capacity utilizations of previous two quarters i.e. Q-1 2014-15 and Q-4 2013-14.

(Source: FICCI Quarterly Survey On Indian Manufacturing Sector-November 2014; www.ficci.com)

SECTORAL GROWTH

Based on expectations in different sectors, the Survey pointed out that four out of thirteen sectors were likely to witness low growth (less than 5%). Four sectors namely, paper, ceramics, machine tools and leather and footwear are expected to have a strong growth of over 10% in October – December 2014-15 and rest all the sectors likely to witness moderate growth.

Table: Growth expectations for Q-3 2014-15 compared with Q-3 2013-14

Sector	Growth Expectation
Capital Goods	Low
Textiles Machinery	Low
Textiles	Low
Electronics & Electricals	Low
Auto Components	Moderate
Metals & Metal Products	Moderate
Tyre	Moderate
Chemicals	Moderate
Food Products	Moderate
Cement and Ceramics	Strong
Machine Tools	Strong
Paper	Strong
Leather & footwear	Strong
	·

Note: Strong > 10%; 5% < Moderate < 10%; Low < 5% (Source: FICCI Survey)



(Source: FICCI Quarterly Survey On Indian Manufacturing Sector-November 2014; www.ficci.com)

POWER SECTOR IN INDIA

Power or electricity is one of the most critical components of infrastructure affecting economic growth and well-being of nations. The existence and development of adequate infrastructure is essential for sustained growth of the Indian economy.

The Indian power sector is one of the most diversified in the world. Sources for power generation range from conventional ones such as coal, lignite, natural gas, oil, hydro and nuclear power to other viable non-conventional sources such as wind, solar, and agriculture and domestic waste. The demand for electricity in the country has been growing at a rapid rate and is expected to grow further in the years to come. In order to meet the increasing requirement of electricity, massive addition to the installed generating capacity in the country is required.

MARKET SIZE

The Indian power sector is undergoing a significant change that is redefining the industry outlook. Sustained economic growth continues to drive power demand in India. The Government of India's focus to attain 'Power For All' has accelerated capacity addition in the country. At the same time, the competitive intensity is increasing on both market side as well as supply side (fuel, logistics, finances and manpower).

The Planning Commission's 12th Plan expects total domestic energy production to reach

- 669.6 million tonnes of oil equivalent (MTOE) by 2016–17 and
- 844 MTOE by 2021–22.
- By 2030 35, energy demand in India is projected to be the highest among all countries

INVESTMENT

Some of the major investments made into the Indian power sector are as follows:

- Inox Wind Ltd, a subsidiary of Gujarat Fluorochemicals and a wind energy solutions provider, plans to double its manufacturing capacity to 1,600 MW at a total investment of Rs 200 crore (US\$ 31.64 million) by the end of next financial year.
- Suzlon Energy Ltd announced that it has completed installing and commissioning 350 MW of wind energy in Brazil. This combined capacity includes projects located in the high wind states of Rio Grande do Norte and Ceara in Brazil.
- ACME Group plans to invest Rs 600 crore (US\$ 94.93 million) to develop 74 MW of solar photovoltaic (PV) power projects in Punjab.
- The Dilip Shanghvi family, founders of Sun Pharma, plans to acquire a 23 per cent stake in Suzlon Energy with a preferential issue of fresh equity for Rs 1,800 crore (US\$ 284.8 million).
- Reliance Power Ltd has signed an accord with the Government of Rajasthan to develop 6,000 MW of solar power projects in the state over the next 10 years.
- Global private equity (PE) fund Actis will invest US\$ 230 million to create an Indian renewable energy platform, Ostro Energy, the fund said in a press release. Ostro Energy's first project Tejuva—a 50.4 MW wind project—is already under construction in Jaisalmer, Rajasthan.
- The industry has attracted FDI worth US\$ 9,548.82 million during the period April 2000 to February 2015.



GOVERNMENT INITIATIVES

The Government of India has identified the power sector as a key sector of focus to promote sustained industrial growth.

The RE-INVEST 2015 which concluded on February 17, 2015, is a significant step in making India self-reliant in energy. The three day RE-INVEST 2015 received 2,800 delegates participating from 42 countries and saw green energy commitments worth 266,000 MW.

Some of the initiatives taken by the Government of India to boost the power sector of India are as follows:

- A Joint Indo-US PACE Setter Fund has been established with a contribution of US\$ 4 million from each side to enhance clean energy cooperation.
- The Government of India has announced a massive renewable power production target of 175,000 MW by 2022, comprising 100,000 MW from solar power, 60,000 MW from wind energy, 10,000 MW from biomass and 5,000 MW from small hydro power projects.
- The Union Cabinet of India has approved 15,000 MW of grid-connected solar power projects of National Thermal Power Corp Ltd (NTPC).
- The Indian Railways has signed a bilateral power procurement agreement with the Damodar Valley Corporation (DVC). The agreement was signed between North Central Railway and DVC. This is the first time the railways will directly buy power from a supplier.
- US federal agencies have committed a total of US\$ 4 billion for projects and equipment sourcing, one of the biggest deals for the growing renewable energy sector in India.
- A memorandum of collaboration (MoC) was signed in New Delhi on January 20, 2015 between the Indian Institutes of Technology (IITs) and Oil & Natural Gas Corporation (ONGC) to work towards a collective research and development (R&D) programme for developing indigenous technologies to enhance exploration and exploitation of hydrocarbons and alternate sources of energy.

ROAD AHEAD

The Indian power sector has an investment potential of Rs 15 trillion (US\$ 237.35 billion) in the next 4-5 years, providing immense opportunities in power generation, distribution, transmission and equipment.

The immediate goal of the government is to produce two trillion units (kilowatt hours) of energy by 2019. This will mean doubling the current production capacity in order to achieve provide 24x7 electricity for residential, industrial, commercial and agriculture use.

(Source: India Brand Equity Foundation; <u>www.ibef.org</u>)

ELECTRICAL AND ELECTRONIC SECTOR

Introduction

Electronics Systems Design and Manufacturing sector comprises semiconductor design, high-tech manufacturing, electronics and electrical components, electronics manufacturing services and electronics systems design for consumer electronic products, telecom products and equipment, IT systems and hardware and other segments. Electronics, along with Information and Communications Technology, is considered a meta-resource: the competitiveness of various industries often depends on their ability to integrate ICTE in their business processes. At 1.75 Trillion, Electronics is the largest and the fastest growing manufacturing industry in the world. It is expected to reach USD 2.4 Trillion by 2020.

Key objectives

The key objectives for the ESDM Sector are:



- To achieve domestic production of USD 122 Billion by 2017 (growth of 30per cent)
- To ramp up domestic value addition in ESDM manufacturing

Key challenges

The key challenges faced by the sector are:

- Competition from China: India's biggest competition in the sector is from China which has achieved significant economies of scale and has a highly subsidized operating environment which is largely opaque.
- Zero Duty Regime: As a signatory to the Information Technology Agreement-1 (ITA-1) of the World Trade Organization (WTO), India has implemented zero duty regime on 217 product lines. Under the Free Trade Agreements (FTAs) and Preferential Trade Agreement (PTAs) with various countries, the import of electronics hardware from these countries is allowed at a duty which is lower than the normal duty rate.
- Disability Costs in local Manufacturing: Infrastructure, Power and Finance issues pose significant challenges to Indian manufacturing. Infrastructure challenges arise from poor supply chain logistics and inadequate ready availability of land. The finance costs in India are typically 5 to 6 points above international rates. Power supply is, in several parts, inadequate, unreliable and costly. High transaction costs due to stringent rules and regulations, complex administrative processes also add to the disability costs.
- Diversity and Velocity of Technological Change: Electronics is pervasive and spans all
 sectors. Therefore the development of the sector involves domain knowledge of each of the
 sectors which it serves. The half-life of technologies in the sector has been continuously
 reducing. Currently it is estimated to be even less than six months in certain verticals.
 Convergence between different technologies, devices, software and hardware are also driving
 technology changes.

(Source: The manufacturing plan- Planning commission of India; www. planningcommission.gov.in)

INDIAN TRANSFORMER INDUSTRY

Stable Outlook

The Indian Electrical Equipment (IEE) industry, which includes power generation and transmission & distribution (T&D) equipment, is estimated to be worth Rs.1.40 lakh crore in FY15 (FY refers to the period April 1 to March 31). The transformers sub-segment comprises around 10% of the total Indian Electrical Equipment industry and had an aggregate installed capacity of around 4.20 lakh mega volt ampere (MVA) as on March 31, 2015.

Over past few years till FY14, entities in the Indian Transformer Industry witnessed decline in profitability and deterioration in debt coverage indicators, as depicted in exhibit 1. However, FY15 witnessed a reversal in profitability trend with a marginal improvement over FY14.



Financial performance of transformer manufacturers

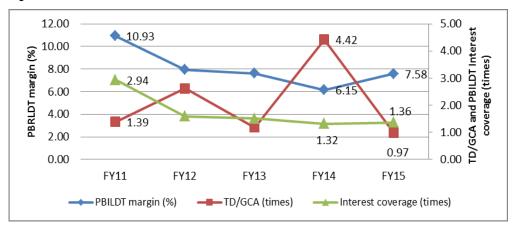


Exhibit 1- Note: Median financial parameters of listed transformer manufacturers, which form around 85% of the industry in terms of turnover for FY14, have been considered

Key factors that led to subdued financial performance:

1. Huge transformer manufacturing capacity build-up

Government of India (GoI) planned huge power generation capacity addition for 10th and 11th five year plans (FYP). However, the addition lagged behind the targets, mainly due to delays in land acquisition, environmental and forest clearance issues, uncertainty over fuel linkage and tightening of credit flow. The domestic transformer manufacturing entities almost doubled their manufacturing capacity to around 4 lakh MVA at the end of 11th FYP, based on expected addition in power generation capacity. However, with lower capacity additions in generation sector, the transformer manufacturing capacities remained underutilized. Considering requirement of 7 MVA of transformers for 1 MW of power generation, the present transformer manufacturing capacity could suffice an annual domestic power generation capacity addition of around 60 GW.

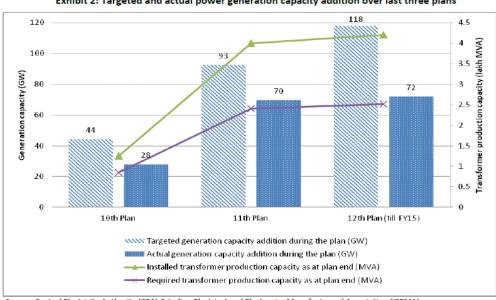


Exhibit 2: Targeted and actual power generation capacity addition over last three plans

Source: Central Electricity Authority (CEA) & Indian Electrical and Electronics Manufacturers' Association (IEEMA)

As depicted above, over past three FYPs, the installed capacity exceeded the required capacity, leading to heightened competition, lower profitability and lower cash accruals.



2. Reduction in orders and surge in imports

Apart from slippage in power generation capacity addition, a slowdown in investment cycle and weak financial health of the state power utilities affected the demand for transformers and resulted in lower order inflows. High AT&C1 losses of around 25%2, is one of the reasons for weak financial health of state power utilities, which has affected their ability to execute their capex plans fully.

Furthermore, imports of transformers in India increased over past few years, as depicted in exhibit 3. Reduced order flow alongwith increase in imports, mainly in higher KV class, adversely impacted plant utilization. Majority imports were from China, which comprised 39% of total FY14 imports3. Competitiveness of Chinese transformer manufactures is mainly due to subsidized material prices, export incentives and low cost of funds.

3. Increase in material costs

Price of copper, which is a key raw material forming around 30-35% of total transformer cost has increased over the years, as depicted in exhibit 3.

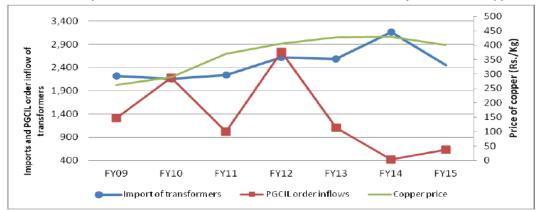


Exhibit 3: Imports of transformers, transformers orders from PGCIL and price trend of copper

Source: Ministry of Commerce and Industry, Gol, Capitaline and Index Mundi

Furthermore, cold rolled grain oriented (CRGO) steel, another key raw material forming around 20% of the total transformer cost is fully imported in India with no domestic manufacturing facility. Hence, the transformer manufacturers remain susceptible to forex movements. To address concerns related to high transformer failures rates, GoI introduced 'Steel Quality Order' in 2012 to mandate the use of Bureau of Indian Standards (BIS) certified CRGO. However, the order does not apply to imported transformers or laminated cores, which results in lack of level playing field for domestic manufacturers vis-à-vis their global counterparts.

4. Increase in working capital borrowings and high working capital intensity

Lower cash accruals, delayed payments from clients including state power utilities and private players and delays in project execution resulted in tightening of liquidity, as reflected by an increase in the median gross operating cycle4 of listed transformer manufactures from 166 days in FY11 to 240 days in FY14. This was largely funded through incremental bank borrowings in light of lower accruals. As a result, the median overall gearing also increased from 0.27x as at the end of FY11 to 0.60x as at the end of FY14. Further, the operations of manufacturers in India are more working capital intensive vis-à-vis their global counterparts, mainly due to relatively higher inventory holding and receivable period, lack of adequate mobilization advances5 and absence of adequate price variation clauses in contracts. Average inventory holding and receivable period in India is around 75-80 days5 and 125-135 days5 respectively, as against a global average of 50-55 days5 and 55-75 days5. This is mainly due to lack of product standardization, delays in processes of testing and issuance of completion certificates and delays in receipt of payments. Deterioration in performance also adversely affected the credit quality of transformer manufacturers, as indicated by a modified credit ratio (MCR)6 of 0.75 in FY14.



SIGNS OF REVIVAL

- After a subdued performance over the past few years, the transformer industry witnessed improvement in the median PBIDT margin and debt coverage indicators in FY15 (exhibit 1). This was mainly due to a pick-up in the order inflows and moderation in raw material prices.
- Power generation and transformation capacity addition picked up in FY15, as depicted in exhibit 4, which resulted in higher order inflow. Also the orders from Power Grid Corporation of India Ltd (PGCIL; the central transmission utility of India) increased by 50% y-o-y to Rs.630 crore in FY15.
- The credit quality of transformer manufacturers also improved as reflected in the MCR of 1.00 in FY15 as against 0.75 in FY14.

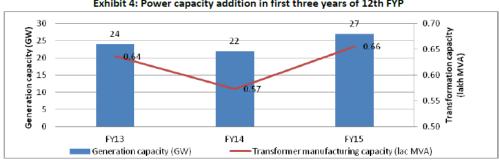


Exhibit 4: Power capacity addition in first three years of 12th FYP

Source: CEA

KEY GROWTH DRIVERS

1. Investments planned in power sector:

India is expected to add 278 GW of generation capacity in the next seven years till FY22 including conventional and non-conventional energy sources. A total investment of Rs.13.73 lakh crore is planned for the power sector for 12th FYP, which is likely to fuel the demand for transformers.

Expected order inflow for transformers for FY16 and FY17 is calculated through below three methods:

• Orders based on targeted power generation capacity addition:

Orders for transformers are based on requirement of 7 MVA transformers for 1 MW of power generation capacity. Considering the realizations of leading transformer manufacturers in the industry for different KV class transformers, orders of around Rs.13,070 crore are expected to materialize in FY16 and FY17 each.

• Orders based on capex from Power Grid Corporation India Limited and State Transmission & Distribution utilities:

PGCIL has an annual investment plan of Rs.22,500 crore and the share of transformers is expected at 7%, as per CARE estimates. Further, the aggregate annual capex plans of the state power distribution utilities (discoms) and power transmission utilities (transcos) is expected to be around Rs.76,348 crore each during FY16 and FY17, if the same remains in line with FY15. However, considering the capex materialization rate of 11th FYP7 and track record of share of transformers in total orders, orders of around Rs.14,794 crore from discoms and transcos are expected to materialize in FY16 and FY17 each.

• Orders based on total investment planned in T&D sector in 12th FYP:

GoI has planned an investment of Rs.1.80 lakh crore for transmission and Rs.3.06 lakh crore for distribution sectors in the 12th FYP8. Considering the capex materialization rate of 11th FYP6 and track record of share of transformers in total orders, orders of around Rs.14,024 crore for distribution and transmission sectors is expected to materialize in FY16 and FY17 each.



• Exports and replacement demand:

Exports for FY16 and FY17 are expected to be in line with FY15. Further, the transformers installed during 1985-90 are expected to be replaced during 12th FYP, considering average transformer's life of 25 Years.

Exhibit 5: Expected annual transformer orders for next two years till FY17

Sr. No.	Method description	Expected annual order value (Rs. crore)		
1	Targeted power generation capacity addition	13,070		
2	Capex from PGCIL and State T&D utilities	14,794		
3	Total investment planned in T&D sector in 12 th FYP	14,024		
Expected annual order inflow		~ 14,000		

Considering the above, demand of transformers is likely to sustain with an annual order inflow at around Rs.14,000 crore each for FY16 and FY17.

2. Development of inter-regional capacity

GoI plans to increase the inter-regional power transfer capacity from 28 GW at the end of 11th FYP to 66 GW at the end of 12th FYP. India's cross-border electricity transmission interconnection with Bangladesh, Nepal, Bhutan and Sri-Lanka is also being expanded, which is likely to boost the demand for transformers. Further, according to the Indian Energy Exchange, congestion between western and southern region transmission corridor restricted the transfer of electricity in southern region in March 2015. Thus, the integration of southern grid to national grid is expected to open up opportunities for equipment suppliers in T&D sector including transformers.

3. Export potential

Export of transformers is expected at around 20% of FY15 aggregate turnover of Indian transformer industry. The global annual transformer orders are expected to be in the range of Rs.1.86 to Rs.1.90 lakh crore9 over the next few years. Indian transformer manufacturers have a nominal share of around 1.61% in the global demand and thus exhibit a good export potential, mainly in the lower kV segment.

 $(Source: \underline{http://www.careratings.com/upload/NewsFiles/SplAnalysis/Indian\%20transformer\%20industry\%20Stable\%20outlook\%20with\%20a\%20few\%20signs\%20of\%20revival.pdf))$

CONCLUSION

The large transformer segment is dominated by multinationals and large sized Indian companies as capital requirement is high due to high level of technology and sophisticated manufacturing and testing facilities. Distribution transformer segment is concentrated with small scale sector. The industry is currently operating at about 60 per cent capacity as the government projected demand has not materialised fully. However, more and more players are entering this segment. The industry witnessed large level of imports from countries like China, Korea etc.

The transformer market in India has been in a healthy state for quite some years now. The market is further expected to witness healthy growth rates and stimulating demand for the coming years. The initiatives undertaken by the Indian government along with the need of replacement of transformers installed in the earlier years is expected to drive growth in the Indian transformers market.

With new government taking over under leadership of Narendra Modi, we are all expecting that country shall be on a growth trajectory and power sector in specific, would be one of the prime beneficiaries in view to fulfil people's aspirations for round the clock supply and act as a catalyst to promote industry and agriculture output to stimulate growth. It is expected and desired in due earnest that above indicators will change drastically.

(Source: http://www.eprmagazine.com/article.php?ItemId=778&CategoryId=4)



CABLE AND WIRE INDUSTRY

Cable and wire industry has established itself as one of the backbones of modern information age. The increasing importance for power, light and communication has kept demand high for wire and cable. This trend will continue as demand for reliable, efficient energy and data communications will strengthen the wire and cable industry. The industry is a volume driven product and has evolved from the unorganised to the organised sector.

With cabling being a necessary component across industries, manufacturers produce multitude of cables such as power cables, fire safe cables, single cores, multi cores and data cables. According to Global Industry Analysts Inc., the wire and cable industry is expected to generate \$ 113.9 billion by the year 2015.

In India, while the wire and cable industry is moving over the last 20 years from unorganised to organised sector, around 35 per cent of the industry is still in the unorganised sector. There are multiple players in the market, including Indian as well as international, and the Indian market consists of both branded and unbranded cables. Cables and wires are also imported to meet the ever growing requirement. The wire and cable industry comprises 40 per cent of the electrical industry within the next 5 years, this will be double.

(Source: Electrical & Power Review; www.eprmagazine.com)

Cables and wires are used for transmitting power, signals, and also in various industries. They are widely used across various end-use segments including residential, commercial, and industrial purposes. The growth of global cables and wires market is primarily driven by the growth of the IT and communication industry where cables and wires play a vital role in transmitting power.

The growing demand for wire and cables across various end-use industries such as IT and telecommunication is one of the major factors driving the market for wire and cables. However, the volatility in raw material prices is acting as one of the major concerns for various players operating in the global market for cables and wires.

Cables are one of the basic inputs therefore they are very critical for the entire industrial sector. Whether made of copper, aluminium or other non-ferrous materials - cables and wires play decisive role in our daily lives and in almost every industry. Cables are used by Power, Steel, Cement, Refineries, Petro-Chemicals, Fertilizers and Communication Sector as well as Railways including Metro Rail.

The Indian cable industry is highly fragmented with large number of cable producers. Many of these companies are small-scale cable producers, the smallest of which are family-run operations which use the most basic production equipments. There has been very limited consolidation amongst the major players in the industry. The tendency of cable companies to grow organically, rather than by acquisition of competitors, means that no dominant groups have emerged in the industry.

Historically, the demand in the cable industry has been characterized by its cyclical pattern. The sector witnessed sustained market depression during the period 1998-2003 and since then the industry is on the upswing.

(Source: Department of Industrial Policy & Promotion annual report 2004-05, 2005-06 and 2006-07)



OUR BUSINESS

Overview

Our Company, Diamond Power Transformers Limited is primarily engaged in manufacturing of power and distribution transformers and transmission towers. Alongwith manufacturing of transformers and transmission towers, we also undertake trading of cables and conductors.

Incorporated in 2007, by conversion of a partnership firm "M/s. Diamond Power Transformers (formerly known as Western Transformers)" our Company is one of the well known name in heavy electrical industry in Gujarat. Western Transformers was originally promoted by Mr. Narendra Bhut and his family members. In 2007, Diamond Power Infrastructure Limited (formerly known as Diamond Cables Limited) joined in as a partner in the said firm making a change in control. Currently, we are jointly promoted by Diamond Power Infrastructure Limited, the flagship Company of esteemed Diamond Group and by Diamond Power Transmission Private Limited. Our Company forms part of the esteemed Diamond Group, which is an established name in electrical industry. The Group being a major player in the electrical industry, has helped us established our brand and build up reputed client base.

At present, our Company operates through two manufacturing facilities in Vadodara, of which one is situated at Ranoli and the other at Padra. Our manufacturing facility at Ranoli is spread over an area of 2,312.56 square metres and is engaged in manufacturing of distribution transformers. This unit is utilised to manufacture distribution transformers upto 33kV, 500 KVA. Our other manufacturing facility, located at Padra is spread more than over an area of 9,000.00 square metres and is engaged in manufacturing of power transformers, distribution transformers and transmission towers. This facility generally undertakes manufacture of power transformers upto the range of 220kV, 315 MVA. Both our manufacturing facilities are well equipped with infrastructural, technical and in-house engineering facilities to enable us to comply with qualitative standards.

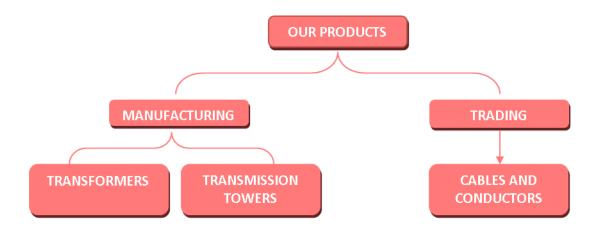
Our qualified management, in-house technical and design expertise, skilled workforce and well equipped manufacturing facilities enable us to manufacture a range of transformers such as power transformers, furnace duty transformers, distribution transformers, generator transformers, etc. to meet diverse client requirements. With capabilities to design and manufacture a comprehensive range of power and distribution transformers, we have manufactured over 50,000 transformers of various ratings based on the inherent design data. Our sales model is divided into 2 parts, i) making sales by subscribing and fulfilling of tenders invited by Electricity Companies operated by state governments and ii) by selling to corporates across diverse industries. Apart from supplying products domestically, we also export our products to various countries.

With a vision to become one of the largest transformers manufacturers, focus on delivering qualitative products, continued government support, experience of our Promoters and dedication of our employees we aim to expand our operations on PAN India basis.



OUR PRODUCTS

Our Company is engaged in both manufacturing and trading activities. On the basis of these activities, our products can be classified as follows:



A brief description of the products is given below:

TRANSFORMERS

Transformer is a static electrical machine having an important role in electricity network. They are used for generation as well as distribution of electricity. Our Company mainly deals in power and distribution transformers:



Power Transformers

Power transformers are key components in power networks. Their availability and longevity have a major impact on grid reliability and profitability. Power transformers are used in transmission network of higher voltages for step-up and step-down application. They are generally rated above 200MVA. It is used for transmission purpose at heavy load and high voltage. They are used in generating station and transmission substation at high insulation.

Our Company manufactures a range of power transformers suitable for substations, generation set-up and auto transformers. We manufacture such types depending on customer requirement and area of application such as Furnace Duty Transformers, Single Phase Track Side Transformers, Dry Type Transformers, Generator Transformers, Unit Auxiliary Transformers, Solar/Wind Energy Duty Transformers.





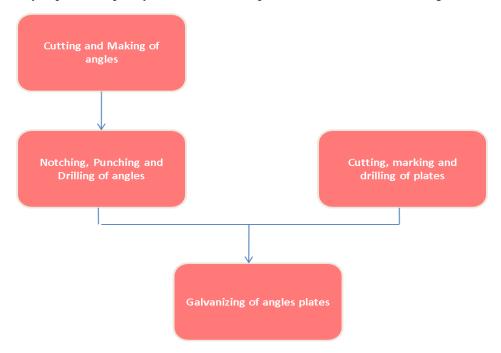
Distribution Transformers

Distribution Transformer provides the final voltage transmission in the electronic power distribution system by stepping down the voltage used in the distribution lines to the level used by the customer. Distribution transformers are used for lower voltage distribution networks as a means to end user connectivity and are generally rated less than 200MVA. It is used for the distribution of electrical energy at the low voltage as less than 33KV in industrial purpose and 440v-220v in the domestic purpose.

Our Company manufactures a range of customised distribution transformers, suitable for use in residential, commercial and industrial applications. In general, we manufacture 4 Star Energy Saving Transformers and Station Transformers.

Transmission Towers

A transmission tower is a tall structure, usually a steel lattice tower, used to support an overhead power line. Transmission Towers are designed to withstand the roughest of weathers. Sturdily built and technically superior in quality, these towers can perform in the most demanding of conditions.

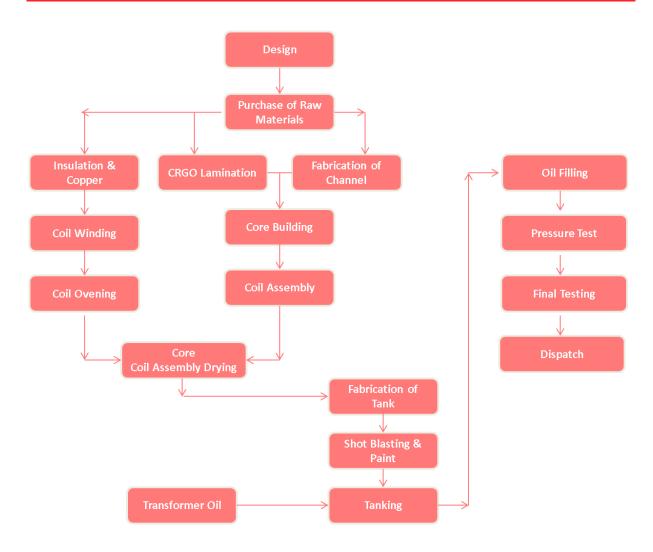


CABLES AND CONDUCTORS

Our Company also undertakes trading of cables and conductors.



OUR MANUFACTURING PROCESS



Our manufacturing process can be enumerated in the following steps:

Design

Design is an initial part of our manufacturing process and forms an integral part of it. Design of the transformers is decided as per customer requirement. It is finalized in consultation with the customer.

Receipt of Raw Materials

CRGO laminations, M.S. tanks, aluminium, copper, insulation material, transformer oil, etc are our basic raw material. These materials are either inspected at supplier's place or at the unit. Once inspected and approved, the same can be utilised for production.

Core Building

Core Building is done manually by labourers. CRGO (Cold Rolled Grain Oriented) material is used for assembling Core. CRGO material is cut into pieces with specific length and breadth and is manually placed in a square form to build the cruciform core. After the formation, the overall dimensions of core are checked and confirmed.



Copper/Aluminium Winding

Low voltage coils are made using MPC Copper/Aluminium as required. High Voltage coils are made from MPC copper or aluminium, round or flat conductor. The windings are made exact as per the design data and inspected before use. Aluminium Winding is generally done in Distribution Transformers while Copper is used in Distribution as well as Power Transformers. A proper insulation is done by wrapping the wires and strips with insulation paper.

Assembly and Connections

Low voltage and high voltage windings are assembled on core with the use of hardwood and pressboard insulation. HV/LV delta/star connections, HV series connections are made. Whenever tapping is involved, tapping switch/ OLTC connections are made.

Ovening

The completely assembled unit after all connections is the dried in air drying oven till desired IR value is achieved.

Tanking & Oiling

M.S. tank is fabricated from M.S. plates as required. Tank shall be short blasted and painted from inner and outer surface with suitable anticorrosive paints. After ovening the windings are pressed and final dimensions are achieved. The active part is then inspected and housed in tank and filled up with oil. After filing up the oil it is circulated through to improve BDV of oil.

Final Fitting

Fittings are required for protection of transformers. Suitable size of fittings according to rating is decided by design to be fixed. Final touch up is done.

Testing & Inspection

Final testing of the transformers is done at our in house testing facility. All the required testing as per Indian Standard: 2026 is done at our factory. Manufacturer's quality control department finally inspects the transformer as per QAP and clause to clause compliance to the technical specification.

Dispatch

The products are then dispatched.

RAW MATERIALS

Below is the list of the basic raw materials required in our manufacturing process:

- CRGO
- M.S. items
- Aluminium
- Copper
- Insulating Paper
- Transformer Oil
- Thinner, Colour
- Tanking material
- Wooden parts

A description of the major raw materials of the above is given below:



4) Conductor Material (Aluminium/Copper)

Aluminium and Copper wire with a varnish or some other synthetic coating is used as conductor. Copper is a superior electrical conductor. Aluminium's conductivity is about 62% that of copper when measured on a volume basis. Aluminium offers lighter weight, because of the metal's large density difference. That's why it is often chosen for such applications as pole-top distribution transformers, where light weight can sometimes be beneficial. On the other hand, copper-wound transformers are smaller.

5) Stampings (CRGO – Cold Rolled Grain Oriented)

CRGO electrical steel usually has a silicon level of 3%. It is processed in such a way that the optimum properties are developed in the rolling direction, due to tight control of the crystal orientation relative to the sheet. The magnetic flux density is increased in the coil direction.

6) Tank

Tanks are made of high quality steel which can withstand vacuum as specified by the relevant standards and the customers. All welds are tested, ensuring 100% leak proof and mechanical strength. Tanks are given a smooth finishing by using the shot blasting process.

Our Manufacturing Plants

Our Company manufactures transformers from two plants, both in Vadodara district. The manufacturing units are situated at:

- 3) 15, GIDC Estate, Village Ranoli, Vadodara for Distribution Transformers. (Unit I)
- 4) Village Samiyala, Taluka Padra, Vadodara for Distribution Transformers, Power Transformers and Transmission Towers. (Unit II)

Details of Unit I at Ranoli

The manufacturing plant i.e. Unit I at Ranoli is into manufacturing of distribution transformers. The manufacturing facility is spread across 2,312.56 sq mtr. The transformers are suitable for use in Residential, Commercial and Industrial applications. Distribution Transformers ranging from 10 KVA to 500 KVA with voltage up to 33 kV are manufactured at Unit I.

The unit is located nearby NH8, offering good road connectivity to other major cities. The Ahmedabad-Vadodara section of NH-8 is an important corridor of Golden Quadrilateral which links two major cities of Gujarat leading to Mumbai and other parts of the country.

We provide customized solutions for our transformers. They are manufactured as per the requirement of our customers.

Products manufactured at Unit I Ranoli Plant.

Type	Range
Distribution Transformers	11 kV, 10KVA to 500KVA
Distribution Transformers	22 kV, 25KVA to 500KVA
Distribution Transformers	33 kV, 50KVA to 500KVA

We currently manufacture 3 and 4 star rated transformers. Star rating is given on the basis of load loss and current.

Following is the list of major plant & machineries installed at the unit:

Air compressor	X'mere oil filter	Oil pump
Oven	Submersible pump	Drill machine



Crane	Shearing machine	Welding machine	
Ring cutting machine	Power press machine	Grinding machine	
Load truck	Weighing scale machine	Bull block machine	
Wire drawing machine	Rewinding machine	Butt welding machine	
Strip winding machine	Paper covering machine	Wire covering machine	
Winding machine	Variac & Transformer	Generator	

The plant has in house testing lab comprising of various measuring and testing equipments which is capable of performing several tests like:

- 1) Measurement of no loss and current
- 2) Measurement of Insulation Resistance
- 3) Measurement of Neutral Current, etc.

Details of Unit II at Samiyala

The manufacturing plant i.e. Unit II at Samiyala is into manufacturing of power and distribution Transformers and transmission towers. The manufacturing facility is spread across 9,633.00 Sq mt. The unit is taken on lease from Apex Electricals Limited. The transformers are suitable for use in substations, generation set-up and auto transformers. Power Transformers ranging from 10 KVA to 315 MVA with voltage up to 220 kV and Distribution Transformers upto 2,500 KVA with voltage up to 33 kV are manufactured at Unit II. Plant layout is designed for optimum material movement.

We provide customized solutions for our transformers. They are manufactured as per the requirement of our customers.

Products manufactured at Unit II Samiyala Plant:

Туре	Range
Power Transformers	Upto 220 kV, 315 MVA
Distribution Transformers	Upto 33 kV, 2500 KVA
Single phase track side transformers	Upto 145 kV, 10 MVA
Single phase track side transformers	Upto 145 kV, 31 MVA
Cast Resin Transformers	Upto 36kV, 3150 KVA
Current Transformers	Upto 245 kV
Voltage Transformers	Upto 72.5 kV
Vacuum Circuit Breakers	Upto 36 kV, 2500 A, 40 KA
Dry Transformers	11KV

We manufacture transformers by assembling various jobs together.

Following is the list of major plant & machineries installed at the unit:

EOT crane	Filter machine	Heating/ Vacuum Oven
Air compressor	Welding machine	Heavy coil winding machine
Air drying oven	Hydraulic press	Hv/Lv winding machine
Drill machine	Sharing machine	Roller machine
Bancho machine	Spacers cutting machine	Circular cutting/ cutter machine
Paper grinding machine	Lathe machine	Grinding machine
Teeth machine	Hacksaw machine	Threading machine
Oil/Air circuit breaker	Variac & Transformer	Generator
Wire drawing machine	Lamination cutting machine	Capacitor & Control Panel



The plant has in house testing lab comprising of various measuring and testing equipments which is used for performing various testing functions.

Utilities amd Infrastructure Facilities

Unit I – Ranoli Plant

Infrastructure facilities

Our registered office is situated at Ranoli, Vadodara. Unit I is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities which are required for our business operations.

Power facilities

Ranoli plant meets its power requirements by purchasing electricity from Madhya Gujarat Vij Company Limited and the company has sanctioned load of 100 kV.

Water facilities

Water for drinking and gardening purpose is made available through Petro Chemical Complex (Vadodara).

<u>Unit II – Samiyala Plant</u>

Infrastructure facilities

Our plant is situated at Samiyala, Vadodara. Unit II is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities which are required for our business operations.

Power facilities

Samiyala plant meets its power requirements by purchasing electricity from Madhya Gujarat Vij Company Limited and the company has sanctioned load of 500 KVA.

Water facilities

Adequate arrangements with respect to water requirements for drinking and gardening purpose is made through borewells.



Our Competitive Strengths



1. Government Contractor

We are qualified to tender for Government Projects due to our experience in the industry and our ability to meet the eligibility criteria. Our revenue from manufacturing operations is partially derived from subscribing and fulfilling of tenders invited by Electricity Companies operated by state governments. We believe our experience and providing services to such Companies attests to our credibility and allows us to be in a better position for future projects, thereby improving our competitive position.

2. Highly crafted and well-engineered product base

Engineering forms an essential element of manufacturing transformers. We provide customer centric customize solutions for power as well as distribution transformers. Our designs are crafted to minimize the losses occurring within the transformer thereby making them more efficient. Our client base is a proof of our crafting skills. We believe our transformers and the engineering behind it have driven our Company to the current height.

3. Technically sound and experienced Management

We benefit from having a stable management team that has specific, long term experience in the electrical industry. Our Chairman & Managing Director, Amit Bhatnagar is a technocrat with experience of more than 20 years in the electrical equipment industry. Further our other members of Board also have vast relevant industrial and management experience.

4. Quality assurance

Our quality assurance programme includes inspection of materials at supplier's works and thorough stage wise inspection by using check lists. This ensures product quality as envisaged by



design and manufacturing plan. We consciously dedicate resources for quality assurance to ensure that quality norms are continually met. We provide warranty also for our products.

5. Well equipped manufacturing facilities

We have two manufacturing facilities spread over an area of 2,335.03 sq. mts and 9,633.00 sq. mts. respectively. These facilities are well equipped with requisite machineries and technologies. We also have in-house testing facilities. Our infrastructural capabilities enable us to manufacture qualitative products. We make continuous efforts to upgrade our technology in our manufacturing process so as to achieve a better product quality and technical reliability.

6. Wide range of products

We have manufactured over 50,000 transformers of various ratings based on the inherent design data available with us. We provide customised transformers and have a diverse range of transformers to be offered to the customers. Further we also deal in transmission towers and cables and conductors. We believe that maintaining a diverse portfolio in our business provides us with an opportunity to cater to diverse needs of different customer segment.

COLLABORATIONS

As on date of the Draft Prospectus, our Company has not entered into any collaboration agreements.

EXPORT AND EXPORT OBLIGATIONS

Our Company does not have any export obligation as on the date of the draft prospectus.

HUMAN RESOURCE

We believe that our employees are key contributors to our business success. We focus on attracting and retaining best possible talent. Our Company looks for specific skill-sets, interests and background that would be an asset—for its kind of business.

As on December 31, 2015 our Company has 61 employees and further our Company has appointed a Company Secretary and Compliance officer on January 25, 2016. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled/semi-skilled/unskilled resources together with our strong management team have enabled us to successfully implement our growth plans.

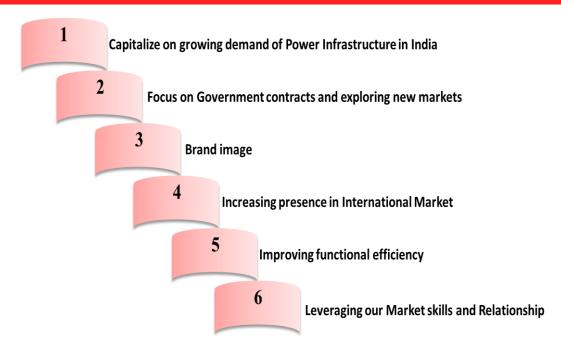
Department wise break up:

Department	No. of employees					
UNIT I						
Sales, Export & Marketing 1						
Purchase, Production & Operations	6					
Design, Testing & QC	4					
HR & Administration	1					
Excise	1					
Legal & Secretarial	1					
Ţ	UNIT II					
Sales, Export & Marketing	10					
Purchase, Production & Operations	10					
Design, Testing & QC	12					
Accounts & Finance	5					



HR & Administration	9		
Excise	2		

BUSINESS STRATEGY



1) Capitalize on growing demand of Power Infrastructure in India

According to a study by Indian Brand Equity Foundation (*Source: India Brand Equity Foundation;* http://www.ibef.org/industry/power-sector-india.aspx), the Indian power sector has an investment potential of Rs 15 trillion (US\$ 237.35 billion) in the next 4-5 years, providing immense opportunities in power generation, distribution, transmission and equipment. The immediate goal of the government is to produce two trillion units (kilowatt hours) of energy by 2019. This will mean doubling the current production capacity in order to achieve provide 24x7 electricity for residential, industrial, commercial and agriculture use. We intend to capitalise on the growing demand. We are an approved vendor with several public sector entities as well as have developed relationships with various entities with whom we receive repeat orders. We believe that we are well positioned to cater to the industry with our diverse products as well as expand our presence in the industry.

2) Focus on Government contracts and exploring new markets

We are already generating part of our revenue from operations by subscribing and fulfilling government tenders. We intend to continue obtain more tenders and expand our operations. We also intend to explore new markets by increasing our customer base and foray into retail trading.

3) Brand image

We would continue to associate ourselves with good quality customers and execute projects to their utmost satisfaction. We are highly conscious about our brand image and intend to continue our brand building exercise by providing excellent services to the satisfaction of the customers.

4) Increasing presence in International Market



We currently cater domestic customers with our value added products. Our products have a strong brand name in itself. We aim to supply our products across the globe and make a name for ourselves in the international market as well.

5) Improving functional efficiency

Our Company intends to improve operating efficiencies to achieve cost reductions to have a competitive edge over the peers. We believe that this can be done through continuous process improvement, customer service and technology development.

6) Leveraging our Market skills and Relationship

Leveraging our Market skills and Relationships is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction.

7) Enhancing existing production and product quality

We believe quality service and products of global standards will be of utmost importance for customer retention and repeat-order flow. We intend to have close interaction with our customers in a bid to strengthen our relationships with them. We train our employees to consistently design and deliver client focused solutions.

CAPACITY AND CAPACITY UTILISATION

The Productwise capacity is as follows:

Product Name	Unit	Installed	Actual 2012-13	Actual 2013-14	Actual 2014-15	Proj ected 2015 -16	Projec ted 2016- 17	Proje cted 2017- 18
Transformers	Nos.	18,550	5,985	6,278	5,978	[•]	[•]	[•]
Transmission Tower Material	Tonn es	40,000.00	21,097.22	22,667.00	14,001.71	[•]	[•]	[•]

Projected Capacity

The Company may achieve higher production by utilizing its installed capacity fully.

COMPETITION

Transformers, cable and wire being a vast and global industry, we face competition from various domestic and international players. There are also many unorganized and fragmented, small and medium-sized companies and entities. Among listed companies of comparable size, we face competition from the below:

List of competitors

Major players include Indo Tech Transformers Limited, Transformers and Rectifiers (India) Limited, Voltamp Transformers Limited, EMCO Limited, Marsons Limited and RTS Power Corporation Limited



We intend to continue competing vigorously to capture more market share and manage our growth in an optimal way.

END USERS

The market for transformers, transmission towers and cables and conductors can be broadly classified into two categories, on the basis of their end-use:

- a) Industrial Users
- b) Domestic Users

a) Industrial Users

The demand for transformers, transmission towers and cables and conductors is mostly from sectors like power, transmission & distribution, communication, cement, steel and petro-chemical which constitutes what is termed as industrial users of the product. Both organized and unorganized segments address such demands but the organized sector takes the lead. The two most important types of industrial customers for such industry are:

- Government/Public sector undertakings
- Private customers

b) Domestic Users

We manufacture distribution transformers used for residential purposes which are sold as per the orders received by parties either directly or through a third party.

MARKETING STRATEGY

We are focussed on supplying our products to government entitites, which are undertaken through a bidding process, and also to private institutions. We believe our relationship with the clients is strong and established as we receive repeat order flows. Our marketing team is ready to take up challenges so as to scale new heights. We intend to expand our existing customer base be developing dealer network across the country.

INSURANCE

Our insurance policies are subject to customary exclusions and deductibles. We believe that our insurance coverage is adequate for our business needs and operations. We will continue to review our policies to ensure adequate insurance coverage maintained. We maintain insurance policies in respect of our operations. These policies insure our assets against burglary, standard fire and special perils, marine cargo and enterprise package.

INTELLECTUAL PROPERTY

Our Company does not have any intellectual property as on the date of Draft Prospectus. However our

Company is in process of making an application for registration of its logo of Trademarks.

with the Registrar



LAND AND PROPERTY

Properties taken on lease by the Company

Sr. No.	Location of the Property	Document Date	Licensor/ Lessor	Period
1.	Leasehold Property- Plot No. 101/B/7, Ranoli Industrial Estate, Tal. Baroda, Gujarat, India	Original Agreement between M/s. Western Transformers and G.I.D.C entered into on 25/04/1995 and Lease Deed executed on 06/12/2003, further transferred in the name of Diamond Power Transformers Limited <i>vide</i> Deed of Assignment dated 31/05/2010.	Gujarat Industrial Development Corporation (G.I.D.C)	99 years
2.	Leasehold Property- Factory Premises at Village Samiala, Vadodara Padra Road, Dist. Vadodara, Gujarat, India	Lease Agreement between M/s. Apex Electricals Ltd. and M/s. Diamond Power Transformers Limited dated 10/02/2012	M/s. Apex Electricals Ltd.	From 08/04/2009 till deposit from Lessee remains with Lessor.



KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of certain sector specific Indian laws and regulations in India, which are applicable to the Company. The information detailed in this section has been obtained from publications available in the public domain. The laws and regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice.

Except as otherwise specified in this Draft Prospectus, Companies Act, 1956/Companies Act, 2013, as may be applicable, taxation statutes such as the Income Tax Act, 1961 and other miscellaneous laws apply to the Company as they do generally to any other Indian company, and accordingly, have not been covered under this chapter. The statements below are based on the current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.

APPROVALS

For the purpose of the business undertaken by the Company, the Company is required to comply with various laws, statutes, rules, regulations, executive orders, etc that may be applicable to the Company from time to time. The details of such approvals have more particularly been described, for your reference, in the section titled "GOVERNMENT AND OTHER STAUTORY APPROVALS" starting from page no. 226 of this Draft Prospectus.

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India. The regulations set out below are not exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to be a substitute for professional legal advice. Sets forth below are certain significant legislations and regulations, which generally govern this industry in India.

Manufacturing/Industrial Acts

Industrial Disputes Act, 1947

The Industrial Disputes Act, 1947 was enacted to make provisions for investigation and settlement of industrial disputes and for providing certain safeguards to the workers, and inter-alia deals with reference of disputes relating to workmen at Labour Courts and Industrial Tribunals, provisions in connection with prohibition of strikes and lock-outs, declaration of strikes and lock-outs as illegal, and provisions relating to lay-off and retrenchment and closure.

Industrial (Development and Regulation) Act, 1951

The Industrial (Development and Regulation) Act, 1951 has been liberalised under the New Industrial Policy dated July 24, 1991, and all industrial undertakings are exempt from licensing except for certain industries such as distillation and brewing of alcoholic drinks, cigars and cigarettes of tobacco and manufactured tobacco substitutes, all types of electronic aerospace and defence equipment, industrial explosives including detonating fuses, safety fuses, gun powder, nitrocellulose and matches and hazardous chemicals and those reserved for the small scale sector. An industrial undertaking, which is exempt from licensing, is required to file an Industrial Entrepreneurs Memorandum ("IEM") with the Secretariat for Industrial Assistance, Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and no further approvals are required.

Approvals from Local Authorities

Setting up of a factory or a manufacturing or housing unit entails that the requisite planning approvals be obtained from the relevant local panchayat(s) outside the city limits and the appropriate metropolitan 173 development authority within the city limits. Consents from the State Pollution



Control Board(s), the relevant State Electricity Board(s) and the State Excise Authorities (Sales Tax) are required to be obtained before commencing the building of a factory or the start of manufacturing operations.

Electricity Act, 2003

The Electricity Act, 2003 has been introduced with a view to rationalise electricity tariff, and to bring about transparent policies in the sector. The Act viz. provides for private sector participation in generation, transmission and distribution of electricity, and provides for the corporatisation of the state electricity boards. The related Electricity Regulatory Commissions Act, 1998 has been enacted with a view to confer on these statutory Commissions the responsibility of regulating this sector.

The Factories Act, 1948

The Factories Act was enacted primarily with the object of protecting workers from industrial and occupational hazards The Factories Act, 1948 ("Factories Act") defines a factory to cover any premises which employs ten or more workers and in which the manufacturing process is carried on with the aid of power and any premises where there are at least 20 workers and in which the manufacturing process is being carried on without the aid of power. The Factories Act provides that an occupier of a factory is the person who has ultimate control over the affairs of the factory. In case of a company, at the least one of the directors shall be entrusted to ensure the health, safety, welfare, working hours, leave and other benefits for workers employed in factories. Under this statute, an approval must be procured prior to the setting up of the factory and a license must be accorded after setup is complete, by the Chief Inspector of Factories. In case of contravention of any provision of the Factories Act or rules framed thereunder, the occupier and the manager of a factory may be liable to be punished with imprisonment or with fine or both.

General Corporate Compliance

The Companies Act, 2013

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vide its notification dated September 12, 2013 and March 26, 2014 has notified certain Sections of the Companies Act, 2013 and the same are applicable from September 12, 2013 and April 01, 2014. The Ministry of Corporate Affairs, has also issued rules viz. the Company (Miscellaneous) Rules, 2014 relating primarily with the change of status of the Company.

Labour Legislation

The Trade Union Act, 1926

The Trade Union Act, 1926 provides for registration of trade unions (including association of employers) with a view to render lawful recognition & organization of labour to enable collective bargaining. The Trade Union Act, 1926 also confers certain protection and privileges on a registered trade union. It applies to all kinds of unions of workers and associations of employers which aim at regularizing labour-management relations. Under the Trade Union Act, 1926 any group of seven or more workers of an institution have a right form a trade union. The trade union so formed has the right to act for the individual and/or for collective benefit of workers at different levels.

Workmen's Compensation Act, 1923

The Workmen's Compensation Act, 1923 provides for payment of compensation to workmen and their dependants in case of injury and accident (including certain occupational disease) arising out of and in the course of employment and resulting in disablement or death. The Act applies to railway servants and persons employed in any such capacity as is specified in Schedule II of the Act. The schedule II includes persons employed in factories, mines, plantations, mechanically propelled



vehicles, construction works and certain other hazardous occupations. The amount of compensation to be paid depends on the nature of the injury and the average monthly wages and age of workmen. The minimum and maximum rates of compensation payable for death (in such cases it is paid to the dependents of workmen) and for disability have been fixed and is subject to revision from time to time.

The Employee's State Insurance Act, 1948

The Employee's State Insurance Act, 1948 is applicable to all factories and other businesses as the Government may determine, unless a specific exemption has been granted. The employers in such factories and businesses are required to pay contributions to the Employees State Insurance Corporation, in respect of each employee at the rate prescribed by the Government. Companies which are controlled by the Government are exempt from this requirement if the employees are receiving benefits which are similar or superior to the benefits prescribed under the Employee's State Insurance Act, 1948.

Employee's Provident Funds and Miscellaneous Provisions Act, 1952

Under the Employee's Provident Funds and Miscellaneous Provisions Act, 1952, compulsory provident fund, family pension fund and deposit linked insurance is payable to employees in factories and other establishments for their benefit. The legislation provides that an establishment employing more than 20 persons, either directly or indirectly, in any capacity whatsoever, is either required to constitute its own provident fund or subscribe to the statutory employee's provident fund. The employer of such establishment is required to make a monthly contribution to the provident fund equivalent to the amount of the employee's contribution to the provident fund, as provided in such statute.

Payment of Bonus Act, 1965

An employee in a factory who has worked for at least 30 days in a year is eligible to be paid bonus in accordance with the provisions of such law. Contravention of the law is punishable by imprisonment up to six months or a fine up to Rs. 1,000 or both.

Payment of Gratuity Act, 1972

Under the Payment of Gratuity Act, 1972, an employee, who after having completed at least five continuous years of service in an establishment resigns, retires, or is disabled due to accident or disease, is eligible to receive gratuity in accordance with the provisions of the law. To meet this liability, employers of all businesses to which the legislation applies are required to contribute towards gratuity.

Payment of Wages Act, 1936 ("Wages Act")

The Wages Act applies to the persons employed in the factories and to persons employed in industrial or other establishments where the monthly wages payable to such persons is less than Rs. 1,600. The Wages Act confers on the person(s) responsible for payment of wages certain obligations with respect to the maintenance of registers and the display in such factory/establishment, of the abstracts of the Wages Act and the Rules made thereunder.

The Minimum Wages Act, 1948 ("Minimum Wages Act")

The Minimum Wages Act was enacted to provide for minimum wages in certain employments. Under this Act, the Central and the State Governments are the authorities to stipulate the scheduled employment and to fix minimum wages. The Act contains list of Agricultural and Non Agricultural employment where the prescribed minimum rate of wages is to be paid to the workers. The minimum



wages are calculated and fixed based on the basic requirement of food, clothing, housing required by an average Indian adult.

Employment (Standing Orders) Act, 1950

The Industrial Employment (Standing Orders) Act requires employers in industrial establishments to formally define conditions of employment. It applies to every industrial establishment wherein 100 (reduced to 50 by the Government in respect of the establishments for which it is the appropriate Government) or more workmen are employed. The Employment (Standing Orders) Act calls for the submission of such conditions of work to the relevant authorities for their approval.

Contract Labour (Regulation and Abolition) Act, 1970

The purpose of Contract Labour (Regulation and Abolition) Act, 1970 is to regulate the employment of contract labour in certain establishments and to provide for its abolition in certain circumstances and for matters connected therewith.

Environmental Legislations

Environmental Legislations Environment (Protection) Act, 1986

The Environment (Protection) Act, 1986 is an "umbrella" legislation designed to provide a framework for co-ordination of the activities of various central and state authorities established under various laws. The potential scope of the Act is broad, with "environment" defined to include water, air and land and the interrelationships, which exist among water, air and land, and human beings and other living creatures, plants, micro-organisms and property.

Air (Prevention and Control of Pollution) Act, 1981

The Air (Prevention and Control of Pollution) Act, 1981 ("Air Act") has been enacted to provide for the prevention, control and abatement of air pollution. The statute was enacted with a view to protect the environment and surroundings from any adverse effects of the pollutants that may emanate from any factory or manufacturing operation or activity. It lays down the limits with regard to emissions and pollutants that are a direct result of any operation or activity. Periodic checks on the factories are mandated in the form of yearly approvals and consents from the corresponding Pollution Control Boards in the relevant State.

Water (Prevention and Control of Pollution) Act, 1974 ("Water Act")

The Water Act was enacted in 1974 in order to provide for the prevention and control of water pollution by factories and manufacturing industries and for maintaining or restoring the wholesomeness of water. In respect to an Industrial Undertaking it applies to the (i) Occupier (the owner and management of the undertaking), (ii) Outlet, (iii) Pollution and (iv) Trade effluents. The Water Act requires that approvals be obtained from the corresponding State's Pollution Control Boards.

Water (Prevention and Control of Pollution) Cess Act, 1977 ("The Water Cess Act")

The Water Cess Act is a legislation providing for the levy and collection of a cess on local authorities and industries based on the consumption of water by such local authorities and industries so as to enable implementation of the Water Act by the regulatory agencies concerned.

Hazardous Waste (Management & Handling) Rules, 1989

These rules seek to keep a check on the disposal of hazardous wastes. The occupier generating hazardous wastes has to make an application to the State Pollution Control Board for obtaining



authorisation for storing, collecting, treating and disposing of hazardous wastes. Accidents occurring at the facility have to be reported in the prescribed form to the State Pollution Control Board.

Tax Legislations

Central Excise

Excise duty imposes a liability on a manufacturer to pay excise duty on production or manufacture of goods in India. The Central Excise Act, 1944 is the principal legislation in this respect, and it provides for the levy and collection of excise and prescribes procedures for clearances from factory once the goods have been manufactured.

Central Custom

Custom duty imposes a liability on the importer to pay custom duty on the import of goods into India, when they cross the customs barrier. Duties of customs are levied on goods imported into India at the rate specified under the Customs Tariff Act, 1975 as amended from time to time or any other law for the time being in force. The Customs Act, is the principal legislation which governs the levy and collection of custom and prescribes procedures for clearances and storage of goods once they cross the customs barrier.

Sales Tax

The tax on sale of moveable goods within India is governed by the provisions of the Central Sales Tax Act, 1956 or relevant State law depending upon the movement of goods pursuant to the relevant sale. If the goods move interstate pursuant to a sale arrangement, then the taxability of such sale is determined by the Central Sales Tax Act, 1956. On the other hand, the taxability of a sale of movable goods which does not contemplate movement of goods outside the State where the sale is taking place is determined as per the local sales tax/VAT legislation in place within such State.

Income-tax Act, 1961

The IT Act is the law relating to taxes on income in India. The IT Act provides for the taxation of persons resident in India on global income and persons not resident in India on income received, accruing or arising in India or deemed to have been received, accrued or arising in India. In accordance with the IT Act, any income earned by way of profits by a company incorporated in India is subject to tax levied on it in accordance with the rates as declared as part of the annual Finance Bill. Companies can also avail certain benefits under the IT Act, if eligible.

Value Added Tax ("VAT")

VAT is a system of multi-point levy on each of the purchases in the supply chain with the facility of setoff of input tax on sales whereby tax is paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. VAT is based on the value addition of goods, and the related VAT liability of the dealer is calculated by deducting input tax credit for tax collected on the sales during a particular period. VAT is a consumption tax applicable to all commercial activities involving the production and distribution of goods and the provisions of services, and each state that has introduced VAT has its own VAT Act, under which, persons liable to pay VAT must register and obtain a registration certificate from a prescribed authority of the respective State.

Other Regulations

Shops and Commercial Establishment Laws

Under various State laws dealing with shops and establishments, any shop or commercial establishment has to obtain a certificate of registration from the supervising inspector and also has to comply with certain rules laid down in the act governing that particular State. These rules and



regulations regulate the opening and closing hours of shops and commercial establishments, daily and weekly work hours, closing dates and holidays, health and safety of persons working in shops and commercial establishments, payment of wages and maintenance of records and registers by the employers, among others. The Gujarat Shops and Establishment Act, 1948 govern the Company as the Company has its registered office in the state of Gujarat.

The Legal Metrology Act, 2009

The Legal Metrology Act, 2009 (the "Legal Metrology Act") has come into effect after its publication in the Official Gazette on January 14, 2010 and has been operative since March 1, 2011. The Legal Metrology Act replaces The Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. Further, the Legal Metrology act lays down penalties for various offences.

The Foreign Trade (Development and Regulation) Act, 1992

In India, the main legislation concerning foreign trade is the Foreign Trade (Development and Regulation) Act, 1992 ("FTA"). The FTA read along with relevant rules provides for the development and regulation of foreign trade by facilitating imports into, and augmenting exports from, India and for matters connected therewith or incidental thereto. As per the provisions of the Act, the Government:(i) may make provisions for facilitating and controlling foreign trade; (ii) may prohibit, restrict and regulate exports and imports, in all or specified cases as well as subject them to exemptions; (iii) is authorised to formulate and announce an export and import policy and also amend the same from time to time, by notification in the Official Gazette; (iv) is also authorised to appoint a 'Director General of Foreign Trade' for the purpose of the Act, including formulation and implementation of the Export-Import ("EXIM") Policy. FTA read with the Indian Foreign Trade Policy provides that no export or import can be made by a company without an Importer-Exporter Code number unless such company is specifically exempt. An application for an Importer-Exporter Code number has to be made to the office of the Joint Director General of Foreign Trade, Ministry of Commerce.

POLICES APPLICABLE

The Foreign Direct Investment

Foreign investment in India in various sectors is governed by the provisions of the Foreign Exchange Management Act, 1999 read with the applicable regulations. The Department of Industrial Policy and Promotion ("**DIPP**"), Ministry of Commerce and Industry has issued the Consolidated FDI Policy the ("**FDI Circular**") which consolidates the policy framework on Foreign Direct Investment ("**FDI**"), with effect from May 12, 2015. The FDI Circular consolidates and subsumes all the press notes, press releases, and clarifications on FDI issued by DIPP till May 11, 2015. All the press notes, press releases, clarifications on FDI issued by DIPP till May 11, 2015 stand rescinded as on May 12, 2015. DIPP has also introduced composite caps on FDI vide circular dated July 30, 2015. Further, the DIPP has issued a press note dated November 10, 2015 introducing a number of changes in the FDI policy.



OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was originally formed and registered as a partnership firm under the Indian Partnership Act, 1932 under the name and style of "M/s Western Transformers", pursuant to a partnership deed. The name of the partnership firm was changed to "M/s Diamond Power Transformers" pursuant to Deed of Co-Partnery dated December 23, 2007. "M/s Diamond Power Transformers" was then converted into a public limited Company under part IX of the Companies Act, 1956 under the name of "Diamond Power Transformers Limited" and received a Certificate of Incorporation bearing Registration No. 052486 and Corporate Identity Number U31102GJ2007PLC052486 from the Registrar of Companies, Gujarat, Dadra & Nagar Havelli on December 28, 2007.

Diamond Power Infrastructure Limited and Diamond Power Transmission Private Limited are the Promoters of our Company.

Amit Bhatnagar, Sumit Bhatnagar, Mandaben Bhut, Velijibhai Bhut, Narendrabhai Bhut (Karta of HUF), Parth Patel, Diamond Power Infrastructure Limited (formerly known as Diamond Cables Limited) were the initial subscribers to the Memorandum of Association of our Company.

CHANGE OF REGISTERED OFFICE

Our Company has not changed its registered office since Incorporation, located at 101/B/7, G.I.D.C. Estate, Ranoli, Baroda, Gujarat- 390350.

KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

Period	Event
December 28, 2007	Incorporation of Company
March 2008	Became Subsidiary of Diamond Power Infrastructure Limited
December 19, 2015	Infusion of funds from Diamond Power Transmission Private Limited

OUR MAIN OBJECTS

The main object of our Company, as contained in our Memorandum of Association, is set forth below:

"To manufacture, process, store, transfer, supply, sale, purchase, export, import and to deal in and to act as agents to persons carrying on the business of manufacturing, processing, storing, transportation, supplying, selling, purchasing, importing, exporting and dealing in power, distribution transformers, Special type of transformers with power and other applications and their basic raw materials such as CRGO, Steel Strips, Copper, Aluminium, Oil and other components."

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

Since incorporation, the following changes have been made to our Memorandum of Association:

Date of Shareholders Approval	Amendment		
March 18, 2011	The initial authorised share capital of Rs. 5,00,00,000 consisting of 50,00,000 Equity Shares of Rs. 10 each was increased to Rs. 10,00,00,000 consisting of 1,00,00,000 Equity Shares of Rs. 10 each.		
December 11, 2015	The Authorised Share Capital from Rs. 10,00,00,000 consisting of 1,00,00,000 Equity Shares of Rs. 10 each was increased to Rs. 20,00,00,000 consisting of 2,00,00,000 Equity Shares of Rs. 10 each.		
December 15, 2015	The Authorised Share Capital from Rs. 20,00,00,000 consisting 2,00,00,000 Equity Shares of Rs. 10 each was increased to 22,00,00,000 consisting of 2,20,00,000 Equity Shares of Rs. 10 each		



PROMOTER AND HOLDING COMPANY OF OUR COMPANY

Our Company has a holding company as on the date of filing of this Draft Prospectus. It became a subsidiary of Diamond Power Infrastructure Limited on December 28, 2007 subsequent to subscription of equity shares by DPIL. Further funds were infused by Diamond Power Transmission Private Limited vide Preferential Issue which resulted in dilution of stake of DPIL. As on the date of Draft Prospectus, our Company is a subsidiary of DPTPL.

SUBSIDIARY COMPANY OF OUR COMPANY

There is no subsidiary of our Company as on date of filing of this Draft Prospectus.

INJUNCTIONS OR RESTRAINING ORDERS

The Company is not operating under any injunction or restraining order.

CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT

For detail regarding our capital raising activities through equity or debt, refer to the section titled "Capital Structure" beginning on page 73 of this Draft Prospectus.

MERGERS AND ACQUISTIONS IN THE HISTORY OF OUR COMPANY

Our Company has not merged/amalgamated itself nor has acquired any business/undertaking, since Incorporation.

SHAREHOLDERS AGREEMENTS

Our Company has not entered into any shareholders agreement as on date of filing of this Draft Prospectus.

OTHER AGREEMENTS

Our Company has not entered into any agreements/arrangements except under normal course of business of the Company, as on date of filing of this Draft Prospectus.

STRATEGIC/ FINANCIAL PARTNERS

Our Company does not have any strategic/financial partner as on the date of filing of this Draft Prospectus.

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS

The Company has restructured the nature of loan facility it has availed from banks in the past. Except for this, there have been no defaults or rescheduling of borrowings with financial institutions or banks as on the date of this Draft Prospectus.

CONVERSION OF LOANS INTO EQUITY SHARES

There has been no incident of conversion of loans availed from financial institutions and banks into Equity Shares as on the date of this Draft Prospectus.

CHANGE IN ACTIVITIES OF OUR COMPANY IN THE LAST FIVE YEARS

Since, incorporation, there has been no change lines of business to our main object.

STRIKES AND LOCKOUTS

There have been no strikes or lock outs in our Company since Incorporation.



REVALUATION OF ASSETS

Our Company has not revalued its assets since Incorporation and has not issued any Equity Shares including bonus shares by capitalizing any revaluation reserves.

TIME AND COST OVERRUNS IN SETTING UP PROJECTS

As on the date of this Draft Prospectus, there have been no time and cost overruns in any of the projects undertaken by our Company.

NUMBER OF SHAREHOLDERS

Our Company has 8 (Eight) shareholders as on date of this Draft Prospectus.



OUR MANAGEMENT

BOARD OF DIRECTORS

Under our Articles of Association we are required to have not less than 3 directors and not more than 15 directors, subject to the applicable provisions of the Companies Act. We currently have six directors on our Board. We confirm that the composition of our Board of Directors complies with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Prospectus:

Sr. No.	Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment as Director	Other Directorship
1.	Name: Amit Bhatnagar Age: 45 years Father's Name: Suresh Bhatnagar Designation: Chairman & Managing Director Address: 6, Green Park Society, Nizampura, Vadodara- 390002, Gujarat, India Occupation: Business Nationality: Indian Term: 5 Years subject to liable by rotation DIN: 00775880	Appointment as Director since Incorporation of our Company Re-designated as Managing Director: January 25, 2016	a. Diamond Power Infrastructure Limited b. Diamond Infosystems Limited c. Diamond Projects Limited d. Maktel Power Limited Private Limited Company- a. Madhuri Finserve Private Limited b. Apex Power Equipments Private Limited c. Diamond Power Transmission Private Limited d. Maktel Control & Systems Private Limited Foreign Company- a. Diamond Power Global Holdings Limited
2.	Name: Sumit Bhatnagar Age: 43 years Father's Name: Suresh Bhatnagar Designation: Director Address: 6, Green Park Society, Nizampura, Vadodara- 390002, Gujarat, India Occupation: Business Nationality: Indian Term: liable to retire by rotation DIN: 00776129	Appointment as Director since Incorporation of our Company	Public Limited Company- a. Diamond Power Infrastructure Limited b. Diamond Infosystems Limited c. Diamond Projects Limited d. Maktel Power Limited Private Limited Company- a. Madhuri Finserve Private Limited b. Apex Power Equipments Private Limited c. Diamond Power Transmission Private Limited d. Maktel Control & Systems Private Limited Foreign Company- a. Diamond Power Global Holdings Limited



3.	Name: Nivedita Pandya Age: 42 years Father's Name: Muljibhai Pandya Designation: Director Address: 20B, Shreenathji Park Society, Kadamnagar, Nizampura, Vadodara- 390002, Gujarat, India Occupation: Professional Nationality: Indian Term: liable to retire by rotation DIN: 02992638	Appointment as Additional Director: July 06, 2015 Regularization as Director: September 29, 2015	a. Apex Electricals Limited b. Ruby Cables Limited c. Diamond Infosystems Limited d. Diamond Power Infrastructure Limited Private Limited Company a. Manacles Enterprise Private Limited b. Vikas Ferro Private Limited
4.	Name: Ashok Kumar Singh Age: 66 years Father's Name: Nitya Nand Sinha Designation: Independent Director Address: B-903, C.S.I. Towers, Vipin Khand, Gomti Nagar, Lucknow 226010, Uttar Pradesh, India Occupation: Retired Serviceman Nationality: Indian Term: 5 years i.e. upto October 23, 2020 DIN: 01489637	Appointed as Additional Independent Director on October 24, 2015 Appointed as Independent Director on November 19, 2015	Public Limited Company- a. Diamond Power Infrastructure Limited b. Ruby Cables Limited Private Limited Company- Nil
5.	Name: Ashok Kumar Krishan Singh Gautam Age: 63 years Father's Name: Krishan Singh Gautam Designation: Independent Director Address: 47 A, Jal Darshan, NepeanSea Road, Mumbai- 400036, Maharashtra, India Occupation: Professional Nationality: Indian Term: Until the ensuing AGM DIN: 06947087	Appointed as Additional Independent Director on October 24, 2015 Appointed as Independent Director on November 19, 2015	Public Limited Company- a. Diamond Power Infrastructure Limited b. Ruby Cables Limited Private Limited Company- Nil
6.	Name: Rajendrakumar Patel Age: 46 years Father's Name: Natvarlal Patel Designation: Independent Director Address: C-11, Saptak Bunglow, Nr. Geetapark, Manjalpur, Vadodara- 390011, Gujarat, India Occupation: Business Nationality: Indian Term: Until the ensuing AGM DIN: 02457156	Appointed as Additional Independent Director on October 24, 2015 Appointed as Independent Director on November 19, 2015	Public Limited Company- a. Ruby Cables Limited Private Limited Company- a. Greenspace Infratech Private Limited



BRIEF BIOGRAPHIES OF OUR DIRECTORS

• Amit Bhatnagar, Chairman & Managing Director

Amit Bhatnagar aged 45 years is the Managing Director of our Company. He has been a Director of our Company since Incorporation. He has a vast experience of more than two decades in power and electrical sector. He has been on Board of our promoter, Diamond Power Infrastructure Limited since 1992 which is one of the leading manufacturers of cable, conductors and transformers. He is also actively involved in organizing marathon runs at Vadodara and is on the Board of a non-profit organization "Vadodara Marathon". He is one of the nominees of Gujarat Government who has been taking initiatives to boost cleanliness in the State and to take forward 'Swachhta Abhiyan' along with other dignitaries. He looks after overall management and operations of the Company.

• Sumit Bhatnagar, Director

Sumit Bhatnagar aged 43 years has been a Director of our Company since Incorporation. He also has a vast experience of more than two decades power and electrical sector. He is Managing Director of Diamond Infosystems Limited which is engaged in ERP solutions and business reengineering. He looks after the operations and IT department of the Company.

• Nivedita Pandya, Director

Nivedita Pandya, aged 42 years is the Non-Executive Director of our Company with effect from July 6, 2015. She has completed her Bachelors of Engineering (Mechanical) from Birla Vishvakarma Mahavidyalaya. She prepares designs of transformers and looks after the technical department of our Company.

• Ashok Kumar Singh, Independent Director

Ashok Kumar Singh, aged 66 years is an Independent Director of our Company w.e.f. October 24, 2015.

• Ashok Kumar Krishan Singh Gautam, Independent Director

Ashok Kumar Krishan Singh Gautam, aged 63 years is an Independent Director of our Company w.e.f. October 24, 2015.

• Rajendrakumar Patel, Independent Director

Rajendrakumar Patel, aged 46 years is Independent Director of our Company with effect from October 24, 2015.

CONFIRMATIONS

As on the date of this Draft Prospectus:

1. None of the Directors of the Company are related to each other within the meaning of section 2(77) of the Companies Act, 2013 except as mentioned below:

FAMILY RELATIONSHIP BETWEEN DIRECTORS

Name of the Director	Name of the other Director	Family Relation			
Amit Bhatnagar	Sumit Bhatnagar	Brothers			

- 2. There are no arrangements or understandings with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
- 3. The Directors of our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment.
- 4. None of our Directors is/was on the RBI List of willful defaulters.



5. None of our Directors is / was a Director in any listed Company, during the last five years from the date of filing of this Prospectus, whose shares have been / were suspended from being traded on the BSE and / or NSE; except at mentioned below:

The shares of M/s. Diamond Infosystems Limited, one of the entity on which our directors, Amit Bhatnagar and Sumit Bhatnagar are also directors were suspended from being traded on the Bombay Stock Exchange Limited.

Name	Diamond Infosystems Limited
Listed on	BSE
Date of Suspension on Stock	2002
Exchange i.e. BSE	2002
Reasons for Suspension and	[4]
period	[•]
Revocation of Suspension	August 6, 2012
Term of Amit Bhatnagar	[•]
Term of Sumit Bhatnagar	[•]

- 6. Further, none of our Directors is / was a Director of any listed Company which has been / was delisted from any recognized Stock Exchange.
- 7. Our Company, Our Promoters, persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

REMUNERATION/COMPENSATION OF DIRECTORS

None of the directors have received any remuneration during the Financial Year 2014-15. Compensation of our Managing Director

The compensation payable to our Managing Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2 (54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or reenactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force.

Terms and conditions of employment of our Managing Director

Amit Bhatnagar has been appointed as Managing Director and Chairman of the Company *vide* shareholders resolution in Extra—ordinary General Meeting dated January 25, 2016 at a remuneration of Rs. 1,000 per month for a period of 5 years subject that her term shall be liable to retire by rotation in accordance with the provisions of Section 152 of the Companies Act 2013, commencing from January 25, 2016.

Remuneration	Rs. 1,000/- per month basic salary. Annual increment will be upto 15% per year
Term of Appointment	5 Years
Reimbursement	Medical Reimbursement, Leave Travel Concession for self and family, club fees (celling limit – 24% of salary per month)
Allowances	 I. House Rent Allowance subject to 50% of salary (Ceiling- 10% of basic salary per year) II. Special allowance to maintain office at residence, subscription to various books and periodicals, etc (celling limit – 25% of salary per month)



OTHER CONFIRMATIONS

As on the date on this Draft Prospectus:

- 1. There is no contingent or deferred compensation payable to Director, Whole-time Director, Managing Director or Manager which have/has accrued for this year and payable in current or any future period.
- 2. No compensation was paid to Director, Whole-time Director, Managing Director or Manager pursuant to bonus or profit sharing plan.

SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

As per the Articles of Association of our Company, a Director is not required to hold any qualification shares.

The following table details the shareholding of our Directors as on the date of this Draft Prospectus:

	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital	
1.	Amit Bhatnagar	19,980	0.20%	0.20%	
2.	Sumit Bhatnagar	19,980	0.20%	0.20%	

INTERESTS OF DIRECTORS

Interest in Promotion of the Company

Our Director, Amit Bhatnagar and Sumit Bhatnagar may deem to be interested as they have indirect interest of being Promoter of Diamond Power Transmission Private Limited; our Promoter. He may also be deemed to be interested to the extent of any dividend payable to Diamond Power Transmission Private Limited and other distributions in respect of the Equity Shares held by DPTPL. For further details, refer to chapters titled "Our Promoter and Promoter Group" and section "Related Party Transaction" under the chapter "Financial Statement as Restated" beginning on page 155 and 167 of this Draft Prospectus.

Interest by way of Remuneration from the Company

Our Executive Directors may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses payable to them. For details, see "Remuneration/Compensation of Directors" above. Further, our Non-Executive Directors are entitled to receive sitting fees for attending meetings of our Board within the limits laid down in the Companies Act, 2013 and as decided by our Board subject to Articles of Association. Further, except for as disclosed under shareholding of our Directors in our Company above no other Directors hold any Equity Shares in our Company. Our Directors are interested to the extent of Equity Shares, if any, held by them or held by the entities in which they are associated as promoters, directors, partners, proprietors or trustees or held by their relatives or that may be subscribed by or allotted to the companies, firms, ventures, trusts in which they are interested as promoters, directors, partners, proprietors, members or trustees, pursuant to the Offer. Except as stated in the chapters "Our Management" and "Related Party Transactions" beginning on pages 1425 and 165 respectively of this Draft Prospectus and described herein above, our Directors do not have any other interest in the business of our Company.

Our Directors are not interested in the appointment of or acting as Underwriters, Registrar and Bankers to the Offer or any such intermediaries registered with SEBI.

PROPERTY INTEREST

Except as stated/referred to in the heading titled "Land and Property" beginning on page 132 and chapter titled "Related Party Transaction" on page 165 of the Draft Prospectus, our Directors have not entered into any contract, agreement or arrangements since incorporation in which the Directors



are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them. Further our Directors do not have any interest in any immovable property to be acquired by the Company.

INTEREST IN THE BUSINESS OF OUR COMPANY

Save and except as stated otherwise in "Related Party Transactions" in the chapter titled "Financial Statements as Restated" beginning on page 167 of this Draft Prospectus, our Directors do not have any other interests in our Company as on the date of this Draft Prospectus.

SHAREHOLDING OF DIRECTORS IN SUBSIDIARIES AND ASSOCIATE COMPANIES

Our Company does not have a subsidiary or an associate Company as on date of the Draft Prospectus.

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Following are the changes in directors of our Company in last three years prior to the date of this Draft Prospectus.

Name	Date of event	Nature of event	Reason
Jayramrao Marathe	October 7, 2015	Resignation	Resignation as Director
Suresh Bhatnagar	uresh Bhatnagar August 4, 2015 Resignation		Resignation as Director
Nivedita Pandya	July 6, 2015	Appointment	Appointment as Director
Ashok Kumar Singh	October 24, 2015	Appointment	Appointment as Independent Director
Ashok Kumar Krishan Singh Gautam	October 24, 2015	Appointment	Appointment as Independent Director
Rajendrakumar Patel	October 24, 2015	Appointment	Appointment as Independent Director
Amit Bhatnagar	January 25, 2016	Re-designated as Managing Director	Re-designated as Managing Director

BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at an Extra-Ordinary General Meeting of our Company held on November 30, 2011, pursuant to provisions of Section 293(1)(a) & (d) and other applicable provisions, if any, of the Companies Act, 1956 and rules made there under and the Board of Directors (including committees) of the Company be and is hereby authorized to borrow monies from time to time, notwithstanding that money or moneys to be borrowed, together with the moneys already borrowed by the Company (apart from temporary loans obtained from Company's bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided however, the total amount so borrowed shall not exceed Rs. 600 Crores.

CORPORATE GOVERNANCE

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI Listing Regulations will also be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchange.

As on the date of this Draft Prospectus, there are 6 Directors on our Board out of which one half are Independent Directors. Nivedita Pandya is the Woman Director of our Company. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013,



particularly, in relation to appointment of Independent Directors to our Board and constitution of Board-level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations, the Equity Listing Agreements and the Companies Act, 2013.

Board-level committees

In terms of the SEBI Listing Regulations and the Companies Act, 2013, our Company, has constituted the following Board-level committees:

- a. Audit Committee
- b. Nomination and Remuneration Committee
- c. Stakeholder's Relationship Committee

A) Audit Committee

Our Company has constituted an audit committee ("Audit Committee"), as per section 177 of the Companies Act 2013 and Regulation 18 of the SEBI Listing to be entered with SME, vide resolution passed at the meeting of the Board of Directors held on October 24, 2015.

The terms of reference of Audit Committee adheres to the requirements of Regulation 18 of the Listing Agreement, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises the following three (3) directors:

Name of the Director	Designation of Committee	Nature of Directorship
Ashok Kumar Krishan Singh Gautam	Chairman	Independent Director
Rajendrakumar Patel	Member	Independent Director
Ashok Kumar Singh	Member	Independent Director

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

The Audit Committee shall have following powers:

- a. To investigate any activity within its terms of reference,
- b. To seek information from any employee
- c. To obtain outside legal or other professional advice, and
- d. To secure attendance of outsiders with relevant expertise if it considers necessary.

The Audit Committee shall mandatorily review the following information:

- a. Management discussion and analysis of financial condition and results of operations;
- b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- d. Internal audit reports relating to internal control weaknesses; and
- e. The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The role of the Audit Committee not limited to but includes:



- 1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- 3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
- 4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions;
 - vii. Qualifications in the draft audit report.
- 5. Reviewing, with the management, the half yearly financial statements before submission to the board for approval.
- 6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft Prospectus/ Draft Prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- 7. Review and monitor the auditor's independence, performance and effectiveness of audit process.
- 8. Approval or any subsequent modification of transactions of the company with related parties;
- 9. Scrutiny of inter-corporate loans and investments;
- 10. Valuation of undertakings or assets of the company, wherever it is necessary;
- 11. Evaluation of internal financial controls and risk management systems;
- 12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems
- 13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 14. Discussion with internal auditors any significant findings and follow up there on.
- 15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- 16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- 18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases.
- 19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
- 20. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- 21. To investigate any other matters referred to by the Board of Directors;
- 22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.



Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India.

Meeting of Audit Committee and relevant Quorum

The audit committee shall meet at least 4 times in a year and not more than 4 months shall elapse between 2 meetings. The quorum shall be either 2 members or one third of the members of the Audit Committee whichever is greater, but there shall be a minimum of 2 Independent Directors, who are members, present.

B) Stakeholder's Relationship Committee

Our Company has constituted a shareholder / investors grievance committee ("Stakeholders relationship Committee") to redress complaints of the shareholders. The Stakeholders Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on October 24, 2015.

The Stakeholder's Relationship Committee comprises the following Directors:

Name of the Director	Designation of Committee	Nature of Directorship			
Rajendrakumar Patel	Chairman	Independent Director			
Ashok Kumar Krishan Singh Gautam	Member	Independent Director			
Ashok Kumar Singh	Member	Independent Director			

The Company Secretary of our Company shall act as a Secretary to the Stakeholder's Relationship Committee. The scope and function of the Stakeholder's Relationship Committee and its terms of reference shall include the following:

- **A. Tenure:** The Stakeholder's Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder's Relationship Committee as approved by the Board.
- **B. Meetings**: The Stakeholder's Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.

C. Role of the Stakeholder's Relationship Committee

The Committee shall consider and resolve grievances of security holders, including but not limited to:

- 1. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
- 2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
- 3. Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances.
- 4. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
- 5. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.



- 6. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
- 7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting,
- 8. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. Further, Board of Directors at their meeting held on January 25, 2016 have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

Komal Tiwari, Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

C) Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee in accordance section 178 of Companies Act 2013. The constitution of the Nomination and Remuneration Committee was `approved by a Meeting of the Board of Directors held on October 24, 2015. The said committee is comprised as under:

The Nomination and Remuneration Committee comprises the following Directors:

Name of Director	Designation in Committee	Nature of Directorship
Ashok Kumar Singh	Chairman	Independent Director
Ashok Kumar Krishan Singh Gautam	Member	Independent Director
Rajendrakumar Patel	Member	Independent Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

- 1) **Tenure:** The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.
- 2) **Meetings:** The committee shall meet as and when the need arise for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Nomination and Remuneration Committee shall be called by at least seven day's notice in advance.

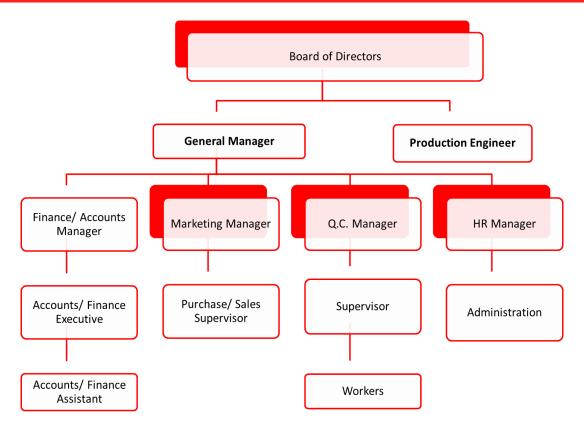
3) Role of the Nomination and Remuneration Committee, not limited to but includes:

- Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration for directors, KMPs and other employees.
- Identifying persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal



- Formulation of criteria for evaluation of performance of independent directors and Board of Directors
- Devising a policy on diversity of board of directors
- Deciding on, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
- Define and implement the Performance Linked Incentive Scheme (including ESOP of the Company) and evaluate the performance and determine the amount of incentive of the Executive Directors for that purpose.
- Decide the amount of Commission payable to the Whole time Director / Joint Managing Directors.
- Review and suggest revision of the total remuneration package of the Executive Directors keeping in view the performance of the Company, standards prevailing in the industry, statutory guidelines etc.
- To formulate and administer the Employee Stock Option Scheme.

ORGANIZATIONAL STRUCTURE



KEY MANAGERIAL PERSONNEL

Our Company is managed by our Board of Directors, assisted by qualified and experienced professionals, who are permanent employees of our Company. Below are the details of the Key Managerial Personnel of our Company. The details of our Key Managerial Personnel are set out below:

• Amit Bhatnagar, Managing Director

Amit Bhatnagar aged 45 years is the Managing Director of our Company. He has been a Director of our Company since Incorporation. He has a vast experience of more than two decades in power



and electrical sector. He has been on Board of our promoter, Diamond Power Infrastructure Limited since 1992 which is one of the leading manufacturers of cable, conductors and transformers. He is also actively involved in organizing marathon runs at Vadodara and is on the Board of a non-profit organization "Vadodara Marathon". He is one of the nominees of Gujarat Government who has been taking initiatives to boost cleanliness in the State and to take forward 'Swachhta Abhiyan' along with other dignitaries. He looks after overall management and operations of the Company.

• Sunil Parikh, Chief Financial Officer

Sunil Parikh aged 56 years is the Chief Financial Officer of our Company. He joined our company as Senior Accountant on June 1, 2015 and has been designated as Chief Financial Officer on December 24, 2015. No remuneration has been paid to him for the financial year 2014 – 2015.

• Komal Tiwari, Company Secretary & Compliance Officer

Komal Tiwari aged 24 years, is the Company Secretary and Compliance Officer of our Company. She is a qualified company secretary and is an associate member of Institute of Company Secretary of India. She is entrusted with the responsibility of handling corporate secretarial functions of our Company. Since she has joined our Company on January 25, 2016, No remuneration has been paid to her for the financial year 2014 - 2015.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

None of the key managerial personnel are- related to each other within the meaning of Section 2 (77) of the Companies Act, 2013. All of Key Managerial Personnel are permanent employees of our Company.

RELATIONSHIP OF DIRECTORS WITH KEY MANAGERIAL PERSONNEL

Except Sumit Bhatnagar and Amit Bhatnagar who are related as brothers, none of the Directors and key managerial personnel are related to the each other within the meaning of Section 2 (77) of the Companies Act, 2013.

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

None of our Directors have been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Except as disclosed below, none of the Key Managerial Personnel hold any Equity Shares of our Company as on the date of this Draft Prospectus.

Sr. No.	Name of Shareholder	No. of Shares held
1.	Amit Bhatnagar	19,980

BONUS OR PROFIT SHARING PLAN OF THE DIRECTORS/ KEY MANAGERIAL PERSONNEL

Our Company has not entered into any Bonus or Profit Sharing Plan with any of the Directors, Key Managerial Personnel.

CONTINGENT AND DEFERRED COMPENSATION PAYABLE TO KEY MANAGERIAL PERSONNEL

None of our Key Managerial Personnel has received or is entitled to any contingent or deferred compensation.

LOANS TO KEY MANAGERIAL PERSONNEL

The Company has not given any loans and advances to the Key Managerial Personnel as on the date of this Draft Prospectus.



INTEREST OF KEY MANAGERIAL PERSONNEL

Interest in Promotion of the Company

Our Managing Director, Amit Bhatnagar may deem to be interested as they have indirect interest of being Promoter of Diamond Power Transmission Private Limited and Diamond Power Infrastructure Limited; our Promoters. He may also be deemed to be interested to the extent of any dividend payable to him, Diamond Power Transmission Private Limited and Diamond Power Infrastructure Limited and other distributions in respect of the Equity Shares held by himself, DPTPL and DPIL. For further details, refer to chapters titled "Our Promoter and Promoter Group" and section "Related Party Transaction" under the chapter "Financial Statement as Restated" beginning on page 155 and 167 of this Draft Prospectus.

Interest by way of Remuneration from the Company

Our Key Managerial Personnel may be deemed to be interested to the extent of remuneration paid to them for services rendered as a Director of our Company and reimbursement of expenses payable to them.

Our Key Managerial Personnel are not interested in the appointment of or acting as Underwriters, Registrar and Bankers to the Offer or any such intermediaries registered with SEBI.

Except as disclosed in this Draft Prospectus, none of our key managerial personnel have been paid any consideration of any nature from our Company, other than their remuneration.

CHANGES IN KEY MANAGERIAL PERSONNEL IN THE LAST THREE YEARS

The changes in the Key Managerial Personnel in the last three years are as follows:

Name of Managerial Personnel	Designation	Date of Event	Reason
Sunil Parikh	Chief Financial Officer	December 24, 2015	Appointed as CFO
Amit Bhatnagar	Managing Director	January 25, 2016	Appointed as Managing Director
Komal Tiwari	Company Secretary and Compliance Officer	January 25, 2016	Appointed as CS

Other than the above changes, there have been no changes to the key managerial personnel of our Company that are not in the normal course of employment.

ESOP/ESPS SCHEME TO EMPLOYEES

Presently, we do not have any ESOP/ESPS Scheme for employees.

PAYMENT OR BENEFIT TO OUR OFFICERS (NON SALARY RELATED)

Except as disclosed in the heading titled "Related Party Transactions" in the section titled "Financial Statements" beginning on page 167 of this Draft Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.



OUR PROMOTER AND PROMOTER GROUP

OUR PROMOTERS

The promoters of our Company are Diamond Power Infrastructure Limited (DPIL) and Diamond Power Transmission Private Limited (DPTPL). DPIL currently holds 99,60,000 Equity Shares constituting approximately 45.32 per cent of the pre-Issue issued, subscribed and paid up capital of our Company; while DPTPL holds 1,19,77,054 Equity Shares, constituting approximately 54.50 per cent of the pre-Issue issued, subscribed and paid-up capital of the Company. The Issue is an offer for sale, however our Promoters jointly will continue to hold a majority of the post-issue paid-up share capital of the Company.

1. Diamond Power Infrastructure Limited

Corporate Information

DPIL was incorporated as a Diamond Cables Private Limited, under the provisions of the Companies Act, 1956 *vide* Certificate of Incorporation dated August 26, 1992 issued by Registrar of Companies, Gujarat at Ahmedabad. Subsequently, it was converted into a public limited Company *vide* fresh Certificate of Incorporation dated April 2, 1993 and its name was changed to Diamond Cables Limited. Further, the Company changed its name to Diamond Power Infrastructure Limited *vide* fresh Certificate of Incorporation dated October 12, 2007.

The registered office of the Promoter is situated at Phase-II, Village-Vadavala, Ta. Savli, Baroda, Gujarat, India.

Main Objects of DPIL are:

- 1. To carry on business of manufacturers, exporters, importers and dealers in all types of conductors, cables, wire products.
- 2. To carry on business of manufacturing, designing, processing, assembling, fabricating and dealing in all kinds of ferrous and nonferrous products of wire-drawing, strip drawing, sheet rolling, processing, rewinding including all kinds of machinery, equipments, components, tools and accessories.

The equity shares of the Promoter are presently listed on the BSE & NSE Platform

DPIL is promoted by Suresh Bhatnagar, Amit Bhatnagar and Sumit Bhatnagar.

Board of Directors

The Board of Directors of Diamond Power Infrastructure Limited as on the date of this Draft Prospectus are as under:-

Sr. No	Name	Designation
1	Amit Bhatnagar	Managing Director
2	Sumit Bhatnagar	Joint Managing Director
3	Ranvir Shekhawat	Independent Director
4	Ashok Kumar Singh	Independent Director
5	Nivedita Pandya	Woman Director
6	Ashok Kumar Gautam	Independent Director
7	Jaideep Nigam	Independent Director
8	Shailendra Pal Singh	Additional Director

Change in Control

There has been no change in the management and control of DPIL in the three years preceding the date of the Draft Prospectus.



Shareholding Pattern
The Shareholding Pattern of the Promoter as of December 31, 2015 is as follows:

Cat eg ory	Category of Shareholder	Nos. of sharehol ders	No. of fully paid up equity shares held	No. of Part ly paid -up equi ty shar es held	No. of shares underly ing Deposit ory Receipt s	Total nos. shares held	Sharehol ding as a % of total no. of shares (calculate d as per SCRR, 1957) As a % of (A+B+C 2)	Number of Rights No of Voting Rights		No. of Shares Underlyi ng Outstand ing converti ble securitie s (includin g Warrant s)	Sharehol ding, as a % assuming full conversio n of convertib le securities (as a percentag e of diluted share capital) As a % of	Numb Locke shar No. (a)	d in	Numbe Shares pl or other encumb No. (a)	edged wise	Number of equity shares held in dematerial ized form
I	II	III	IV	V	VI	VII = IV + V+	VIII	IX	<u> </u>	X	(A+B+C 2) XI = VIII + X	XI	I	XIII	I	XIV
A	Promoter and Promoter Group	16	1,87,45, 348	-	-	VI 1,87,45, 348	32.89	1,87,45, 348	32.89	-	32.89	4,81,2 12	2.57	1,02,97, 269	54.9	1,87,45,34
В	Public	21,606	3,82,55, 147	-	-	3,82,55, 147	67.11	3,82,55, 147	67.11	-	67.11	44,64, 000	11.6 7	-	-	3,60,16,57
С	Non Promoter- Non Public	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1	Shares underlying DRs	0	-	-	-	1	-	-	-	-	-	-	-	-	-	-
2	Shares held by Employee Trusts	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	21,622	5,70,00, 495	-	-	5,70,00, 495	100.00	5,70,00, 495	100.00	-	100.00	49,45, 212	8.68	1,02,97, 269	18.0 7	5,47,61,92 0



2. Diamond Power Transmission Private Limited

Corporate Information

DPTPL was incorporated as a private company, under the provisions of the Companies Act, 1956 *vide* Certificate of Incorporation dated September 2, 2011 issued by Registrar of Companies, Gujarat at Ahmedabad under the name Diamondwanma Power Cables Private Limited. The Company changed its name to Madhuri Power Equipment Private Limited *vide* fresh Certificate of Incorporation dated April 19, 2012. Further, the Company changed its name to Diamond Power Transmission Private Limited *vide* fresh Certificate of Incorporation dated September 24, 2013.

The registered office of DPTPL is situated at 1st Floor, Mayfair Atrium, Vadsar, Kalali, Vadodara - 390012 Gujarat, India.

Main Objects of DPTPL are:

To carry on the business of manufacturing, designing, processing, assembling, fabricating and dealing in all kinds of ferrous and nonferrous products of wire-drawing, strip-drawing, sheet rolling, processing, rewinding, including all kinds of machinery, equipments, components, tools and accessories thereof.

DPTPL is promoted by Amit Bhatnagar and Sumit Bhatnagar.

Board of Directors

The Board of Directors of Diamond Power Transmission Private Limited as on the date of this Draft Prospectus are as under:-

Sr. No	Name	Designation
1	Amit Bhatnagar	Director
2	Sumit Bhatnagar	Director

Change in Control

There has been no change in the management and control of DPTPL in the three years preceding the date of the Draft Prospectus.

Declaration

Our Company confirms that the permanent account number, bank account number and the company registration number of DPIL and DPTPL and the addresses of RoC where Promoters are registered respectively shall be submitted to the Stock Exchange at the time of filing of this Draft Prospectus with it.

INTEREST OF PROMOTERS

The following is the interest of our Promoters in our Company:

Interest in the promotion of Our Company

Our Promoters are interested in our Company to the extent it has promoted our Company and to the extent of its shareholding and the dividend payable, if any and other distributions in respect of the Equity Shares held by them. For details regarding the shareholding of our Promoter in our Company, see "Capital Structure" on page 73 of this Draft Prospectus.

Interest of Promoter in property of our Company

Our Promoter DPIL has made an investment in Apex Electricals Limited; an entity referred to Board of Financial Reconstruction. Our Company's plant at Ranoli is taken on lease from AEL. DPIL is interested to the extent of rent receivable by AEL. Except as stated in this section, our Promoters have no interest in any property acquired or proposed to be acquired by our Company within the two years from the date of the Draft Prospectus, or in any transaction by our Company for acquisition of land, construction of building or supply of machinery.

Interest as Member of our Company

As on the date of this Draft Prospectus, our Promoters hold 2,19,77,054 Equity Shares in our Company and is therefore interested to the extent of their shareholding and the dividend declared, if



any, by our Company. Except to the extent of shareholding of the Promoters in our Company, our Promoters does not hold any other interest in our Company.

Related Party Transactions

For details of related party transactions entered into by our Promoters, Promoter Group and Company during the last Financial Year, the nature of transactions and the cumulative value of transactions, see "Related Party Transactions" on page 165 of this Draft Prospectus.

Payment Or Benefits To Promoter

Except as stated otherwise in the chapters "Related Party Transactions" and "Promoter and Promoter Group" – Interests of the Promoters and Group Companies on pages 165 and 155 respectively, there has been no payment or benefits to the Promoters during the two years prior to the filing of this Draft Prospectus

OUR PROMOTER GROUP

Our Promoter Group in terms of Regulation 2(1) (zb) of the SEBI (ICDR) Regulations is as under:

Diamond Power Infrastructure Limited

a subsidiary or holding company of such body corporate;	Diamond Power Global Holdings Limited (Foreign Subsidiary)
any body corporate in which the promoter holds ten per cent. or more of the equity share capital or which holds ten per cent. or more of the equity share capital of the promoter;	Apex Electricals Limited Apex Power & Equipments Pvt Ltd. Madhuri Finserve Pvt. Ltd.
Any body corporate in which a group of individuals or companies or combinations thereof which hold twenty per cent. or more of the equity share capital in that body corporate also holds twenty per cent. or more of the equity share capital of the issuer; an	Diamond Projects Limited

Diamond Power Transmission Private Limited

a subsidiary or holding company of such body corporate;	Nil
any body corporate in which the promoter holds ten per cent. or more	
of the equity share capital or which holds ten per cent. or more of the	Nil
equity share capital of the promoter;	
Any body corporate in which a group of individuals or companies or	
combinations thereof which hold twenty per cent. or more of the	Nil
equity share capital in that body corporate also holds twenty per cent.	INII
or more of the equity share capital of the issuer; an	

COMPANIES WITH WHICH OUR PROMOTER HAVE DISASSOCIATED IN THE LAST THREE YEARS

Our Promoter has not disassociated itself from any company or firm during the three years preceding the Draft Prospectus.

CHANGES IN OUR PROMOTERS

DPIL is the original Promoter of our Company. Further, DPTPL has acquired 1,19,77,054 Equity Shares in our Company by way of Preferential Allotment on January 11, 2016.

For details on litigations and disputes pending against the Promoters and defaults made by them, please refer to the section titled "Outstanding Litigation and Material Developments" beginning on page 219 of this Draft Prospectus.



CONFIRMATION

The Promoters have not been declared as wilful defaulters by RBI or any other government authority and there are no violations of securities laws (in India or overseas) committed by the Promoters in the past or are pending against them. The Promoters, Promoter Group entities or Group Companies have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority. None of the Promoters or the Group Companies have become sick companies under the SICA and no application has been made in respect of any of them, to the Registrar of Companies for striking off their names. Further, no winding up proceedings have been initiated against the Promoters or the Group Companies, except as disclosed in the section "Our Group Entities" on page 160.

For other confirmations of the Our Promoters and Group Companies, please see the section "Other Regulatory and Statutory Disclosures" on page 230. Additionally, neither the Promoters nor any of the Group Companies have become defunct in the five years preceding the filing of the Draft Prospectus.



OUR GROUP ENTITIES

Pursuant to a resolution passed by our Board, for the purpose of identification of 'Group Companies' as required under the SEBI Regulations, our Company has considered all companies/entities included in the list of related parties prepared in accordance with Accounting Standard 18.

- 1. Diamond Power Global Holdings Limited
- 2. Maktel Power Limited
- 3. Maktel Control & Systems Private Limited
- 4. Diamond Projects Limited
- 5. Diamond Infosystems Limited
- 6. Madhuri Finserve Private Limited
- 7. Apex Electricals Limited
- 8. Apex Power Equipments Private Limited

Our Board, vide a policy of materiality has resolved that except as mentioned in the list of related parties prepared in accordance with Accounting Standard 18 no other Company/entity is material in nature.

Unless otherwise specified, all information in this section is as of the date of this Draft Prospectus.

No equity shares of our Group Companies are listed on any stock exchange and none of them have made any public or rights issue of securities in the preceding three years.

OUR GROUP ENTITIES

The details of our Group Entities are provided below:

1. Diamond Power Global Holdings Limited ("DPGHL")

Diamond Power Global Holdings Limited is a Company incorporated on November 3, 2011 and operates as an Offshore Company with Limited Liability in the U.A.E under an incorporation certificate issued by the Jebel Ali Free Zone Authority of the Government of Dubai. DPGHL has its registered office at P.O. Box- 17398, Dubai, U.A.E. The registered agent of the Company is N.R. Doshi & Co., Public Accountants, LOB 16-115, Jebel Ali Free Zone, Dubai-U.A.E. The Company is mainly engaged in the import-export of power cables, conductors and making investments in other Companies. Our promoter, DPIL holds 100% of Shares in DPGHL. Its paid up capital is USD 10,00,000 (equivalent to AED 36,70,000). Amit Bhatnagar and Sumit Bhatnagar, Directors of our Company are also Directors in DPGHL.

NATURE AND EXTENT OF INTEREST OF PROMOTERS

Equity Shareholding of our Promoter:

Name of the Promoter	Shareholding percentage in the Company
Diamond Power Infrastructure Limited	100.00%
Total	100.00%

Financial Performance

Amount (in AED)

Particulars	December 31, 2012	December 31, 2013	December 31, 2014
Paid Up Capital	36,70,000	36,70,000	36,70,000
Revenue	Nil	Nil	8,029
Total Comprehensive Income/ (loss)	(23,143)	(6,155)	1,851

^{*} AED- United Arab Emirates Dirham



2. Maktel Power Limited ("MPL")

The Company was originally incorporated as Danke Control Private Limited on October 7, 2009 under the provisions of Companies Act, 1956. The Company was converted to a Public Company vide fresh certificate of incorporation dated June 6, 2012. Subsequently, vide fresh certificate of incorporation dated July 10, 2012, the name of the Company was changed to Maktel Power Limited. MPL has its registered office at Plot No. 659, GIDC Estate, Waghodia, Dist. Vadodara, Gujarat and deals in all types of electronic, electrical, mechanical and other equipments. Its paid up capital is Rs. 148.34 Lakhs. Amit Bhatnagar and Sumit Bhatnagar, Directors of our Company are also Directors in MPL. The Corporate Identification Number is U31900GJ2009PLC058249.

Financial Performance

Amount (Rs. in lakhs)

Particulars	2011-12	2012-13	2013-14
Paid Up Capital	89.00	148.34	148.34
Reserves & Surplus	114.99	570.94	601.56
Sales and other income	2,492.85	3,135.83	3,807.39
Profit/loss after tax	59.10	27.27	30.62
NAV (in Rs.)	77.75	48.49	50.55
EPS	6.64	1.84	2.06

3. Maktel Control & Systems Private Limited ("MCSPL")

Maktel Control & Systems Private Limited is a private Company incorporated on April 9, 2009 under the provisions of Companies Act, 1956. MCSPL has its registered office at Plot No. 1421, GIDC Estate, Waghodia, Vadodara, Gujarat and is mainly engaged in manufacturing and trading of electrical machinery, equipments and accessories. Its paid up capital is Rs. 388.88 Lakhs. Amit Bhatnagar and Sumit Bhatnagar, Directors of our Company are also Directors in MCSPL. The Corporate Identification Number is U31900GJ2009PTC056575.

Financial Performance

Amount (Rs. in lakhs)

Particulars	2011-12	2012-13	2013-14	
Paid Up Capital	375.00	375.00	375.00	
Reserves & Surplus	373.28	456.84	529.88	
Sales and other income	3,655.29	3,776.29	4,987.86	
Profit/loss after tax	103.15	83.55	73.04	
NAV (in Rs.)	19.95	22.18	24.13	
EPS	3.44	2.23	1.95	

4. Diamond Projects Limited ("DPL")

Diamond Projects Limited is a public Company incorporated on January 7, 1994 under the provisions of Companies Act, 1956. DPL has its registered office at D-7, BIDC, Gorwa, Vadodara- 390016, Gujarat and is mainly engaged in the business as engineers in all of its aspects and to carry on activities of designing, drawing, machine, etc. The Corporate Identification Number is U36911GJ1994PLC021030. The paid up capital of the Company as per records of Registrar of Companies is Rs. 30.00 lakhs.

Financial Performance



(Rs. In Lakhs)

Particulars	2012-13	2013-14	2014-15
Paid Up Capital	30.00	30.00	[•]
Reserves & Surplus	606.13	597.04	[•]
Sales and other income	508.72	606.24	[•]
Profit/loss after tax	6.02	(9.10)	[•]
NAV (in Rs.)	212.04	209.01	[•]
EPS	2.01	(3.03)	[•]

5. Diamond Infosystems Limited ("DIL")

Diamond Projects Limited is a public Company incorporated on January 7, 1994 under the provisions of Companies Act, 1956. DIL has its registered office at Essen Info Park 5/9-10 BIDC Gorwa, Vadodara – 390016, Gujarat and is engaged in Business Process Re-engineering and ERP Services. The Corporate Identification Number is L24110GJ1993PLC019094. The paid up capital of the Company as per records of Registrar of Companies is Rs. 588.50 lakhs.

(Rs. In Lakhs)

Particulars	2012-13	2013-14	2014-15
Paid Up Capital	588.50	588.50	588.50
Reserves & Surplus	1,191.69	1,325.51	1,328.49
Sales and other income	28,803.20	27,899.70	29,850.97
Profit/loss after tax	224.09	133.82	10.15
NAV (in Rs.)	30.25	32.52	32.57
EPS	3.81	2.27	0.17

6. Madhuri Finserve Private Limited ("MFPL")

Madhuri Finserve Private Limited is a private Company incorporated as Diamond Tele-Cabs Private Limited on December 29, 1993 under the provisions of Companies Act, 1956. The name of the company was changed to Madhuri Finserve Private Limited *vide* fresh certificate of incorporation dated May 9, 2012. MFPL has its registered office at 202, Sunrise Apartment, Alkapuri, Vadodara-390007, Gujarat and is mainly engaged in the business of rendering services in the fields of finance and investment. The Corporate Identification Number is U74120GJ1993PTC020977. The Company has not filed annual accounts with Registrar of Companies and hence the details are not accessible. The paid up capital of the Company as per records of Registrar of Companies is Rs. 63 lakhs.

7. Apex Electricals Limited ("AEL")

Apex Electricals Limited is a public Company incorporated as Apex Electricals Private Limited on September 29, 1971 under the provisions of Companies Act, 1956. AEL has its registered office at Padra Road, Samiala, Vadodara, Gujarat and is mainly engaged in the business of electricians, electrical engineers, etc. The Company was converted to a public Company vide fresh certificate of incorporation dated November 18, 1996. Nivedita Pandya, Director of our Company is also Director in AEL. The Corporate Identification Number is U31909GJ1971PLC001966. The Company has not filed annual accounts with Registrar of Companies and hence the details are not accessible. The paid up capital of the Company as per records of Registrar of Companies is Rs. 1,288.85 lakhs.

8. Apex Power Equipment Private Limited ("APEPL")

Apex Power Equipment Private Limited is a private Company incorporated on May 5, 2007 under the provisions of Companies Act, 1956. APEPL has its registered office at "Hirna", Old Padra Road, Vidhyut Nagar, Vadodara, 390015, Gujarat and is authorized to carry out business of electrical equipments. The Corporate Identification Number is U29100GJ2007PTC050896. The paid up capital of the Company as per records of Registrar of Companies is Rs. 1.00 lakhs. The Company has not filed annual accounts with Registrar of Companies and hence the details are not accessible.



CONFIRMATION

Our Promoters and persons forming part of Promoter Group have confirmed that they have not been declared as wilful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Promoters and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. Except as disclosed in this chapter, our Group Entities do not have negative net worth as of the date of the respective last audited financial statements.

LITIGATION

For details on litigations and disputes pending against the Promoters and Group entities and defaults made by them, please refer to the chapter titled, "Outstanding Litigations and Material Developments" on page 219 of this Draft Prospectus.

DISSOCIATION BY THE PROMOTERS IN THE LAST THREE YEARS

Our Promoters have not disassociated themselves from any of the companies, firms or other entities during the last three years preceding the date of this Draft Prospectus.

NEGATIVE NET WORTH

None of our Group Entities have negative net worth as on the date of this Draft Prospectus.

DEFUNCT/STRUCK-OFF COMPANY

None of our Promoters or Promoter Group or Group Company has become defunct or struck – off in the five years preceding the filing of this Draft Prospectus.

INTEREST OF OUR PROMOTERS AND GROUP COMPANIES

Our Promoters and Group Companies are interested to the extent of their shareholding of Equity Shares from time to time. As on the date of this Draft Prospectus, our Promoters together hold 2,19,77,054 Equity Shares of our Company.

Except as stated hereinabove and as stated in "Related Party Transactions" under chapter titled "Financial Statements" and "Our Management" beginning on page 167 and 142 respectively of this Draft Prospectus, we have not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of these contracts, agreements or arrangements which are proposed to be made to them.

Further, except as stated above and as stated otherwise under the paragraph titled "Shareholding of our Directors" in the chapter titled "Our Management" beginning on page 142 of this Draft Prospectus; in "Related Party Transactions" under chapter titled "Financial Statements" beginning on page 167 of this Draft Prospectus, and under the paragraph titled "Interest of Directors" in the chapter titled "Our Management" beginning on page 142; paragraph titled "Land and Property" in the chapter titled "Our Business" beginning on page 119, our Promoters do not have any other interest in our Company as on the date of this Draft Prospectus.

Further, except as disclosed above and in the audited restated financial statements of our Company under "Related Party Transactions" under chapter titled "Financial Statements" beginning on page 167 of this Draft Prospectus, our Group Entities and associates have no business interest in our Company.

COMMON PURSUITS

Our Promoters, Diamond Power Infrastructure Limited and Diamond Power Transmission Private Limited and a few of our Group Entities are into similar line of business. As these entities do not have any non-compete agreements in place amongst themselves, there is a conflict of interest between our



Company and the said Promoter Companies and Group Entities. For associated risk factor, please refer to the section titled "Risk Factors" beginning on page 16 of the Draft Prospectus.

SALES/PURCHASES BETWEEN OUR COMPANY, PROMOTER COMPANIES & GROUP ENTITIES

Other than as disclosed in the chapter titled "Related Party Transactions" on page 165 of this Draft Prospectus, there are no sales/purchases between the Company, Promoter Companies and Group Companies when such sales or purchases exceed in value in the aggregate 10 per cent of the total sales or purchases of the Company.

PAYMENT OR BENEFIT TO OUR GROUP ENTITIES

Except as stated in chapter titled "Related Party Transactions" beginning on page 165 of this Draft Prospectus, there has been no payment of benefits to our Group Entities in financial year 2014-2015.



RELATED PARTY TRANSACTION

For details on Related Party Transactions of our Company, please refer to Annexure XXV of restated financial statement under the section titled, 'Financial Statements' beginning on page 167 of this Draft Prospectus.



DIVIDEND POLICY

Under the Companies Act, 2013, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders. Under the Companies Act, 2013 dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend for the last three years.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the "record date" are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by Our Company



SECTION V – FINANCIAL STATEMENTS FINANCIAL STATEMENT AS RESTATED

To, The Board of Directors, Diamond Power Transformers Limited 101/B7, G.I.D.C. Estate, Ranoli, Vadodara – 391350.

Dear Sirs / Madam

Re.: Proposed Public Issue of Equity Shares of Diamond Power Transformers Limited

- 1. We have examined the attached Restated Summary Statement of Assets and Liabilities of **Diamond Power Transformers Limited**, (hereinafter referred to as "**the Company**") as at September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011, Restated Summary Statement of Profit and Loss and Restated Summary Statement of Cash Flow for the period / financial year ended on September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 (collectively referred to as the "**Restated Summary Statements**" or "**Restated Financial Statements**") annexed to this report and initialled by us for identification purposes. These Restated Financial Statements have been prepared by the Company and approved by the Board of Directors of the company in connection with the Initial Public Offering (IPO) on SME Platform of BSE Limited ("**BSE**").
- 2. These Restated Summary Statements have been prepared in accordance with the requirements of:
 - (i) Part I of Chapter III to the Companies Act, 2013("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("ICDR Regulations") issued by the Securities and Exchange Board of India ("SEBI") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time:
- 3. We have examined such Restated Financial Statements taking into consideration:
 - (i) The terms of reference to our engagements with the Company letter dated January 18, 2016 requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE Limited("**IPO**" or "**SME IPO**"); and
 - (ii) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("Guidance Note").
- 4. The Restated Financial Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the period / year ended on September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 which have been approved by the Board of Directors.
- 5. In accordance with the requirements of the Act including the rules made therein, ICDR Regulations, Guidance Note and Engagement Letter, we report that:



- (i) The "Restated Statement of Asset and Liabilities" as set out in Annexure I to this report, of the Company as at September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 are prepared by the Company and approved by the Board of Directors. These Statement of Asset and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.
- (ii) The "Restated Statement of Profit and Loss" as set out in Annexure II to this report, of the Company for the period / financial year ended on September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in Annexure IV to this Report.
- (iii) The "Restated Statement of Cash Flow" as set out in Annexure III to this report, of the Company for the period / financial year ended on September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure IV to this Report.
- (iv) The Company has filed incorrect income tax return for AY 2012-13, AY 2013-14 and AY 2014-15 under the Income Tax Act, 1961. Such incorrect filings may subject the company to interest and penalties under the Act for concealment of income/furnishing inaccurate particulars of income and other applicable sections of the Income Tax Act. As on date, the Company has completed income tax scrutiny assessment for AY 2012-13 while assessment for AY 2013-14 and AY 2014-15 is in process.
- (v) Company Deals in three primary Segments:
 - a) Cables & Conductors
 - b) Transformers
 - c) Transmission Tower

The company has not provided segment reporting for the period/year ended September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 as per the requirements of AS - 17: Segment Reporting. In absence of the requisite details and information we are not in a position to give details of segment reporting.

(vi) During the year ended March 31, 2013, Company had acquired 50% voting power by acquisition of shares in Maktel Power Limited (Formerly known as "Danke Controls Private Limited"). Thus by definition Maktel Power Limited is an associate of the Company. The company has not prepared Consolidated Financial Statements as per requirement of section 129(3) of the Companies Act 2013 for the period ended September 30, 2015. As on the date of signing the financial statements the company has sold off its investment in the associate company. To give a comparable view and based on the present situation, consolidated financials have not been prepared for the period reported above.



- (vii) During the year ended March 31, 2013 the Company had acquired 35.34% voting power by acquisition of shares in Maktel Control & Systems Private Limited. Thus by definition Maktel Control & Systems Private Limited is an associate of the Company. The company has not prepared consolidated financial statements as per requirement of section 129(3) of the Companies Act 2013 for the period ended September 30, 2015. As on the date of signing the financial statements the company has sold off its investment in the associate company. To give a comparable view and based on the present situation, consolidated financials have not been prepared for the period reported above.
- 6. Based on our examination of audited financial statements, we report that the Restated Financial Statements have been made after incorporating:
 - a) Adjustments for the changes in accounting policies retrospectively in respective financial years/period to reflect the same accounting treatment as per the changed accounting policy for all reporting periods.
 - b) Adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments.
 - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
 - d) There are no audit qualifications in the Audit Reports issued by the Statutory Auditors for the period / financial year ended on September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 which would require adjustments in this Restated Financial Statements of the Company.
 - e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Restated Summary Statements as set out in **Annexure IV** to this report.
 - f) There are no revaluation reserves, which needed to be disclosed separately in the Restated Financial Statements in the respective financial years.
- 7. Audit for the financial year ended on September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 was conducted by M/s R.A. Amin & Co., Chartered Accountants and accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them. Further, financial statements for the period / financial year ended on September 30, 2015 and March 31, 2015, have been reaudited by us as per the relevant guidelines.
- 8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the period / financial year ended on September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 proposed to be included in the Draft Prospectus / Prospectus ("Offer Document").



Annexure to Restated Financial Statements of the Company:-

- i. Summary Statement of Assets and Liabilities, as Restated as ANNEXURE I;
- ii. Summary Statement of Profit and Loss, as Restated as ANNEXURE II;
- iii. Summary Statement of Cash Flow, as Restated as ANNEXURE III;
- iv. Significant Accounting Policies as Restated in ANNEXURE IV (A);
- v. Details of Reconciliation of Restated Profits in ANNEXURE IV (B);
- vi. Details of Share Capital as Restated as appearing in ANNEXURE V to this report;
- vii. Details of Reserves and Surplus as Restated as appearing in ANNEXURE VI to this report;
- viii. Details of Long Term Borrowings as Restated as appearing in ANNEXURE VII to this report;
- ix. Details of Deferred Tax Asset/(Liability) as Restated as appearing in ANNEXURE VIII to this report;
- x. Details of as Other Long Term Liabilities as Restated as appearing in ANNEXURE IX to this report;
- xi. Details of Long Term Provisions as Restated as appearing in ANNEXURE X to this report;
- xii. Details of Short-term Borrowings as Restated as appearing in ANNEXURE XI to this report;
- xiii. Details of Trade Payables as Restated as appearing in ANNEXURE XII to this report
- xiv. Details of Other Current Liabilities as Restated as appearing in ANNEXURE XIII to this report;
- xv. Details of Short Term Provisions as Restated as appearing in ANNEXURE XIV to this report
- xvi. Details of Fixed Assets as Restated as appearing in ANNEXURE XV to this report;
- xvii. Details of Non-Current Investments as Restated as appearing in ANNEXURE XVI to this report;
- xviii. Details of Long term Loans and Advances as Restated as appearing in ANNEXURE XVII to this report;
- xix. Details of Inventories as Restated as appearing in ANNEXURE XVIII to this report;
- xx. Details of Trade Receivables as Restated as appearing in ANNEXURE XIX to this report;
- xxi. Details of Cash & Cash Equivalents as Restated as appearing in ANNEXURE XX to this report;
- xxii. Details of Short term Loans and Advances as appearing in ANNEXURE XXI to this report;
- xxiii. Details of Other Current Assets as appearing in ANNEXURE XXII to this report;
- xxiv. Details of Revenue from Operations as appearing in ANNEXURE XXIII to this report;
- xxv. Details of Other Income as appearing in ANNEXURE XXIV to this report;
- xxvi. Details of Related Party Transactions as appearing in ANNEXURE XXV to this report;
- xxvii. Summary of Accounting Ratios as Restated as appearing in ANNEXURE XXVI to this report;
- xxviii. Capitalisation Statement for the period ended September 30, 2015 as appearing in ANNEXURE XXVII to this report;
- xxix. Statement of Tax Shelters as appearing in ANNEXURE XXVIII to this report;
- xxx. Details of contingent liabilities as appearing in ANNEXURE XXIX to this report;
- 9. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
- 10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- 11. In our opinion, the above financial information contained in Annexure I to XXIX of this report read with the respective Significant Accounting Polices and Notes to Restated Summary Statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, SEBI ICDR Regulations, Engagement Letter and Guidance Note.



12. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For M/s. Ramanand & Associates Chartered Accountants Firm Registration No.: 117776W

CA Ramanand Gupta Partner Membership No.: 103975

Date: February 5, 2016

Place: Mumbai



STA	TEMENT OF ASSE		BILITIES A	AS RESTAT	ED	(Rs. I	n Lakhs)
Sr.	Particulars	As at Septembe		As	at March 3	1,	
No.	1 at uculai s	r 30, 2015	2015	2014	2013	2012	2011
	EQUITY AND LIABILITIES						
1)	Shareholders Funds						
a.	Share Capital	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00
b.	Reserves & Surplus	1,204.48	1,213.99	5,270.42	4,683.22	4,665.95	3,039.38
2)	Share Application Money Pending Allotment	-	-	-	-	-	-
3)	Non Current Liabilities						
a.	Long Term Borrowings	4,745.00	4,743.76	3,848.29	2,440.10	3,198.11	1,655.61
b.	Deferred Tax Liabilities	-	-	44.44	46.74	54.92	59.82
c.	Other Long Term Liabilities	-	-	-	815.53	759.90	762.90
d.	Long Term Provisions	5.59	6.34	4.27	3.33	1.71	1.45
4)	Current Liabilities						
a.	Short Term Borrowings	4,422.73	3,576.12	4,028.29	5,722.34	2,996.55	558.38
b.	Trade Payables	848.79	497.74	2,667.61	721.64	568.37	258.19
c.	Other Current Liabilities	3,123.83	2,896.58	3,802.18	1,396.47	1,152.42	202.75
d.	Short Term Provisions	823.33	835.32	854.13	755.26	849.10	678.41
	TOTAL	16,173.75	14,769.85	21,519.63	17,584.63	15,247.03	8,216.89
	ASSETS						
5)	Non Current Assets						
a.	Fixed Assets						
i.	Tangible Assets	1,744.03	1,743.27	1,708.94	1,684.18	1,610.88	1,653.71
	Less: Accumulated Depreciation	698.53	655.27	496.67	393.57	282.95	177.95
ii.	Capital Work in Progress	935.11	935.11	935.11	641.72	-	-



STA	TEMENT OF ASSE	TS AND LIA	BILITIES A	AS RESTAT	ED	(Rs. I	n Lakhs)	
Sr.	Particulars	As at Septembe	As at March 31,					
No.		r 30, 2015	2015	2014	2013	2012	2011	
	Net Block	1,980.61	2,023.11	2,147.38	1,932.33	1,327.93	1,475.76	
b.	Deferred Tax Assets (Net)	1,793.29	1,791.05	-	-	-	-	
c.	Non-current Investments	1,158.19	1,158.19	1,158.19	1,040.00	-	-	
d.	Long Term Loans & Advances	2,039.90	2,032.54	2,040.48	2,306.40	743.53	562.33	
6)	Current Assets							
a.	Inventories	4,837.27	3,708.11	6,056.92	4,458.37	4,092.29	1,506.05	
b.	Trade Receivables	3,589.54	3,145.15	8,698.96	6,672.73	6,374.49	4,255.47	
c.	Cash and Cash Equivalents	369.35	467.05	943.27	923.78	1,392.12	106.15	
d.	Short Term Loans & Advances	13.66	112.59	167.88	-	1,092.84	219.80	
e.	Other Current Assets	391.94	332.06	306.55	251.02	223.83	91.33	
	TOTAL	16,173.75	14,769.85	21,519.63	17,584.63	15,247.03	8,216.89	



ANNEXURE-II

STATEMENT OF PROFIT AND LOSS AS RESTATE				TATED			Lakhs)
		For the period		For the y	ear ended N	Iarch 31,	
Sr. No.	Particulars	ended September 30, 2015	2015	2014	2013	2012	2011
	INCOME						
	Revenue from	13,493.27	32,885.36	47,906.56	34,844.50	26,460.96	24,138.55
	Operations						
	Other Income	113.13	222.57	116.96	323.14	12.55	4.88
	Total Income (A)	13,606.40	33,107.93	48,023.52	35,167.64	26,473.51	24,143.43
	EXPENDITURE						
	Cost of Material	1,107.70	14,579.52	17,909.40	17,164.78	3,937.87	1,540.73
	Consumed	12 407 44	10 (70 04	20 152 12	17.042.21	20.604.42	20, 422, 72
	Purchase of Stock in Trade	12,497.44	18,672.04	28,153.13	17,043.31	20,694.42	20,422.70
	Changes in inventories of	-1,130.88	2,334.19	-1,539.66	-724.28	-2,098.59	-809.29
	finished goods, traded goods and work-in-progress						
	Employee benefit expenses	208.95	602.35	917.81	499.66	422.15	267.34
	Finance costs	731.24	1,190.86	1,077.45	542.52	458.41	237.60
	Depreciation and amortisation	43.26	158.60	103.10	110.62	105.00	102.24
	expense						
	Other Expenses	160.43	1,462.30	516.92	506.82	508.34	321.82
	Total Expenses	13,618.14	38,999.86	47,138.15	35,143.43	24,027.60	22,083.14
	(B)	13,010.14	30,555.00	47,130.13	33,143,43	24,027.00	22,003.14
	Profit before	-11.74	-5,891.93	885.37	24.21	2,445.91	2,060.29
	extraordinary	2207	2,02 202	332121		_,::::::	_,000,_>
	items and tax						
	Extraordinary	-	-	-	-	-	-
	items						
	Profit before tax	-11.74	-5,891.93	885.37	24.21	2,445.91	2,060.29
	Tax expense:						
	(i) Current tax	-		300.48	15.12	824.24	680.38
	(ii) Deferred tax	-2.23	-1,835.50	-2.30	-8.18	-4.90	59.56
	Total Tax Expense	-2.23	-1,835.50	298.18	6.94	819.34	739.94
	Profit for the year (D-E)	-9.51	-4,056.43	587.19	17.27	1,626.57	1,320.35





STATEMENT OF CASH	(Rs. In Lakhs)					
Particulars	As at Septemb er 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Cash flow from						
operating activities:						
Net Profit before tax as per						
Profit And Loss A/c	-11.74	-5,891.93	885.37	24.21	2,445.91	2,060.29
Adjusted for:						
Depreciation &						
Amortisation	43.26	158.60	103.10	110.62	105.00	102.24
Interest & Finance Cost	731.24	1,190.86	1,077.45	542.52	458.41	237.60
Sundry Balances Written						
Off	-	0.05	-	1.56	0.02	-
Interest Income	-113.00	-220.78	-112.22	-321.15	-11.79	-4.88
Foreign Exchange						
Loss/(Gain)	_		-	-0.20	_	3.16
Operating Profit Before Working Capital		4.7.0.00	1.052.52	255.5	2005.55	2 200 45
Changes	649.76	-4,763.20	1,953.72	357.56	2,997.55	2,398.42
Adjusted for (Increase)/ Decrease:						
Inventories	1,129.16	2,348.81	1,598.55	-366.08	-2,586.25	-799.43
Trade Receivables Loans and advances and	-444.39	5,553.81	2,026.23	-298.04	-2,119.02	-3,068.95
other assets	31.70	37.72	42.50	-497.23	-1,186.74	-698.02
	351.04	-2,169.87	1,130.44	208.90	307.18	1,021.09
Trade Payables Liabilities & Provisions	214.50	-922.38	2,205.04	135.15	396.37	-493.72
Cash Generated From	214.30	-922.36	2,203.04	155.15	390.37	-493.72
	-326.55	84.89	1,706.92	-459.74	-2,190.91	-1,640.61
Operations Direct Tax Paid	-320.33	04.09	1,700.92	-439.74	-100.00	-607.28
Net Cash Flow from/(used in) Operating Activities: (A)	-326.55	84.89	1,706.92	-459.74	-2,290.91	
Cash Flow From	-340.33	04.09	1,700.94	-437./4	-4,470.71	-2,247.89
Investing Activities:						
Purchase of Fixed Assets	-0.76	-34.33	-318.15	-715.02	42.83	-239.91
Interest Income	113.01	220.78	112.22	321.15	11.79	4.88
(Purchase)/Sale of	113.01	220.18	112.22	321.13	11./9	4.08
Investments			-118.19	-1,040.00		
Net Cash Flow	-	_	-110.19	-1,040.00	_	-
from/(used in) Investing						
Activities: (B)	112.25	186.45	-324.12	1 /22 07	54 63	225 02
	114.45	100.43	-324.12	-1,433.87	54.62	-235.03
Cash Flow from Financing Activities:						
Financing Activities: Proceeds From Share						
Capital & Share Premium	- 1 24	- 005 47	- 1 400 10	750.00	1.542.50	2 127 00
Proceeds from Long Term	1.24	895.47	1,408.19	-758.00	1,542.50	2,137.08



STATEMENT OF CASH	(Rs. In Lakhs)					
Particulars	As at Septemb er 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Borrowing (Net)						
Proceeds from Short-term borrowings	846.60	-452.17	1,694.05	2,725.79	2,438.18	558.38
Interest & Financial Charges	-731.24	-1,190.86	1,077.45	-542.52	-458.41	-237.60
Net Cash Flow from/(used in) Financing Activities (C)	116.60	-747.56	1,363.31	1,425.27	3,522.27	2,457.86
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	-97.70	-476.22	19.49	-468.34	1,285.98	-25.06
Cash & Cash Equivalents As At Beginning of the Year	467.05	943.27	923.78	1,392.12	106.14	131.21
Cash & Cash Equivalents As At End of the Year	369.35	467.05	943.27	923.78	1,392.12	106.15



RESTATED SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

A. CORPORATE INFORMATION

The Company was incorporated in 2007 as Diamond Power Transformers Limited. Company is engaged into the manufacturing of Transformers, Transmission Towers and Trading of Cables, Conductors and other allied products.

B. SIGNIFICANT ACCOUNTING POLICIES:

1. Basis of preparation of Financial Statements:

The restated summary statement of assets and liabilities of the Company as at September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 and the related restated summary statement of profits and loss and cash flows for the period / years ended September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 (herein collectively referred to as ('Restated Summary Statements')) have been compiled by the management from the audited financial statements of the Company for the period /years ended on September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011, approved by the Board of Directors of the Company. Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI and Guidance note on Reports in Companies Prospectus (Revised). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the SME Platform of BSE in connection with its proposed Initial public offering of equity shares. The Company's management has recast the financial statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of Restated Summary Statements.

2. Use of Estimates:

The preparation of restated financial statements in conformity with the Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. The difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

3. Current and non-current classification:

All the Assets and Liabilities have been classified as current and non-current based on the normal operating cycle of the Company and other criteria laid down in Schedule III of the Companies Act, 2013. Based on the nature of products / services, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

4. Revenue Recognition:

Revenue from installation and commissioning of power and distribution transformers is recognized upon completion of project. Sale of traded goods is recognized as revenue when significant risk and rewards of ownership relating to the goods are transferred to the buyer.

Interest Income

Interest income is recognized on a time proportion basis.



5. Fixed Assets:

Fixed assets are carried at cost of acquisition or construction, less accumulated depreciation and impairment loss, if any. All Cost including any cost attributable in brining the assets to their working condition for their intended use is capitalized. Expenditure on additions, improvement and renewable is capitalized.

6. Depreciation:

Depreciation on fixed assets is calculated on written down value (WDV) basis using the rates arrived at based on the useful life of the assets prescribed under Schedule II of the Companies Act, 2013 for the period / year ended on September 30, 2015 and March 31, 2015. For the year ended on March 31, 2014, 2013, 2012 and 2011 depreciation has been charged on written down value basis using the rates prescribed under Schedule XIV of the Companies Act, 1956.

7. Valuation of Inventories:

Inventory of Raw Material, Work in progress and finished goods is valued at cost or net realizable value whichever is lower. Inventory of traded goods is at cost or net realizable value whichever is lower.

8. Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

9. Valuation of Investments:

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments. Current Investments are carried at the lower of cost or quoted / fair value computed scrip wise. Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary.

10. Employee Benefits:

i. Short Term Employee Benefits:

All employee benefits payable within twelve months of rendering of services are classified as short term benefits. Benefits include salaries, wages, awards, ex-gratia, performance pay, etc. and are recognized in the period in which the employee renders the related service. Liability on account of encashment of leave, Bonus to employee is considered as short term compensated expense provided on actual.

ii. Post Employment Benefit:

a. Defined Contribution Plan:

Provident fund is a defined contribution scheme established under a State Plan. The contributions to the scheme are charged to the profit & loss account in the year when the contributions to the fund are due.



b. Defined Benefit Plan:

Company's liability towards gratuity is determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation at the date of the Balance Sheet. The Company has not recognized gratuity liability for the year ended March 31, 2012 as adequate data for actuarial valuation is not in the possession of the Company.

11. Provision for Current Tax and Deferred Tax:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from the timing differences between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in the future.

12. Contingent Liabilities / Provisions:

Contingent liabilities are not provided in the accounts and are disclosed separately in notes on accounts. Provision is made in the accounts in respect of contingent liabilities which is likely to materialize into liabilities after the year end, till the finalization of accounts and which have material effect on the position stated in the Balance Sheet.

13. Earning Per Share:

Basic earning per share is computed by dividing the net profit for the year after prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

14. Foreign Currency Transactions:

Foreign Currency Transactions are recorded at the exchange rate prevailing on the date of the transaction. Monetary items denominated in foreign currencies at the year end are adjusted at the year end exchange rates. Any gain or loss arising on account of exchange difference either on settlement or no translation is recognized in the Statement of Profit and Loss except in case of Long Term Liabilities.

Presentation and disclosure of financial statements

During the year ended 31 March 2012, the Revised Schedule VI notified under the Act, had become applicable to the Company, for preparation and presentation of its financial statements. Accordingly, the Company has prepared the financial statements for the year ended 31 March 2014, 2013 and 2012 in accordance with Revised Schedule VI of the Act. The balance sheet for the year / period ended September 30, 2015 and March 31, 2015 has been prepared in accordance with Schedule III of the Companies Act, 2013 ("the Act"). The adoption of Revised Schedule VI / Schedule III of the Act does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements.



RECONCILIATION OF RESTATED PROFITS

(Rs. In Lakhs)

Adjustments for	Period ended		For the y	ear ended N	r ended March 31			
Adjustments for	September 30, 2015	2015	2014	2013	2012	2011		
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	(25.60)	(5,604.52)	606.27	368.15	1,716.24	1,277.25		
Adjustments for:								
Interest Income not recognized	1.28	1	1	277.16	1	-		
Prior Period Income	-	(228.28)	1	(807.24)	-	-		
Provision for Gratuity	1.45	(4.50)	(3.51)	3.02	3.52	(2.07)		
Preliminary Expenses written off	7.88	-	0.99	(20.74)	0.99	(2.96)		
Change in Depreciation	3.24	(38.68)	-	-	-	-		
Commission on Sales payable written back	1	-	-	1	(11.59)	11.59		
Change in Current Tax Provision	-	-	(0.48)	194.88	(15.44)	94.62		
Interest on Delayed Payment of Tax	-	(1.95)	(18.36)	(4.59)	(72.05)	-		
Provision for Deferred Tax (Liability)	2.24	1,821.50	2.30	6.63	4.90	(58.07)		
Net Profit/ (Loss) After Tax as Restated	(9.51)	(4,056.43)	587.21	17.27	1,626.57	1,320.36		

Notes of Reconciliation of profits

1. Interest Income not recognized

The Company had not recognized Interest accrued but not due on Fixed Deposits with bank for the period ended September 30, 2015 to the extent of Rs 1.28 lakhs. In year ended March 31, 2013, Company had wrongly credited Interest Income to Capital Work in Progress which has now been restated and credited to the Statement of Profit & Loss and correspondingly the Capital Work in Progress has been reduced to that extent.

2. Prior Period Income

The Company had shown reversal of Income tax Provision as Prior Period Income which has now been restated and has been shown as a deduction from the Current Tax Provision of the respective year.

3. Provision for Gratuity

The Company had made Provision for Gratuity only in the year ended March 31, 2012 and 2013 which was not as per actuarial valuation and was done on adhoc basis. The provision for gratuity has been done in all years / period covered for restatement as per Actuarial Valuation Report and provided in the respective year in which such liability has arisen as per AS 15: Employee Benefits.



4. Preliminary Expenses written off

The Company had a policy to write off Preliminary Expenses over a period of five years which has now been revised as per Revised AS 26: Intangible Assets, which excluded the term "Preliminary Expenses" from the definition of Intangible Assets and which has now to be written off in the same year in which it is incurred. Thus preliminary expenses are written off in the year of incurrence.

5. Change in Depreciation

Depreciation as per Schedule II of the Companies Act, 2013 was calculated incorrectly. The same has been rectified and effect of change in depreciation has been given in Statement of Profit and Loss.

6. Commission on Sales Payable Written Off

The Company had booked an expense of Rs 11.59 Lakhs as commission on sales payable during the year ended March 31, 2011. The same was reversed and booked as income in the year ended March 31, 2012 as it was not payable. The effect of same has been reversed in the respective year.

7. Change in Current Tax Provision

Company had provided Current Tax which was not in line with Audited Financial Statements which has now been reworked as per the Restated profits and provided.

8. Interest on Delayed Payment of Tax

Company had wrongly debited Interest on Delayed Payment of Tax to Provision for Income Tax which has now been restated and debited to the Statement of Profit & Loss in the year of payment.

9. Provision for Deferred Tax Asset/(Liability)

Company had provided Deferred Tax Asset/(Liability) Provision on Ad hoc basis which has now been reworked as per AS 22: Accounting for Taxes on Income and provided.

Material regroupings

Appropriate adjustments have been made in the restated summary Statements of Assets and Liabilities, Profits and Losses and Cash flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the regroupings as per the audited financials of the Company for the year ended 31 March 2015, prepared in accordance with Schedule III, and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2009 (as amended).



DETAILS OF SHARE CAPITAL AS I	RESTATED	((Rs. In Lakhs)				
Particulars	As at September 30,	As at March 31,					
	2015	2015	2014	2013	2012	2011	
SHARE CAPITAL:							
AUTHORISED:							
Opening	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	
Addition: during the year	-	-	-	-	-	-	
	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	
ISSUED, SUBSCRIBED AND PAID							
UP:							
Opening	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	
Addition: during the year	-	-	-	-	-	-	
	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	1,000.00	

Reconciliation of number of shares outstanding at the end of the year:									
Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011			
Equity Shares at the beginning of the year	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	50,00,000			
Add: Other Allotments*	-	-	1	-	-	50,00,000			
TOTAL	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000			

^{*} In 2010-11, 50 Lakhs Equity Shares are allotted pursuant to conversion of Unsecured Loan of Diamond Power Infrastructure Limited.



Details of Shareholders holding more than 5% of the aggregate shares of the company:												
As at		tember 30, 15	As at M 20	larch 31, 15	As at M 20	arch 31, 14	31, As at March 31, As at March 31, 2013		As at March 31, 2011			
Name of Shareholders	No. of		No. of	% of	No. of	% of	No. of	% of	No. of	% of	No. of	% of
	Shares	% of	Shares	Holdin	Shares	Holdin	Shares	Holdin	Shares	Holdin	Shares	Holdin
	Held	Holding	Held	g	Held	g	Held	g	Held	g	Held	g
1. Diamond Power	99,60,000	99.60%	99,60,0	99.60%	99,60,0	99.60%	99,60,0	99.60%	99,60,0	99.60%	99,60,0	99.60%
Infrastructure			00		00		00		00		00	
Limited												

ANNEXURE-VI

DETAILS OF RESERVES AND SURP	LUS AS RESTATED		(Rs. In Lakhs)				
P articulars	As at September 30,	As at March 31,					
	2015	2015	2014	2013	2012	2011	
PROFIT AND LOSS							
As per last financial statements	1,213.99	5,270.42	4,683.22	4,665.95	3,039.38	1,719.02	
Add/(Less): Net Profit after Tax for the	-9.51	-4,056.43	587.20	17.27	1,626.57	1,320.36	
year							
	1 204 40	1 212 00	7.250.42	4 (02 22	4.667.07	2 020 20	
Closing Balance	1,204.48	1,213.99	5,270.42	4,683.22	4,665.95	3,039.38	
TOTAL	1,204.48	1,213.99	5,270.42	4,683.22	4,665.95	3,039.38	



ANNEXURE-VII

DETAILS OF LONG	TERM BORR	OWINGS AS	OWINGS AS RESTATED (Rs. In La					
Particulars	As at September 30,	As at March 31,						
	2015	2015	2014	2013	2012	2011		
Secured Loans								
-Term Loans								
-From Banks	2,915.81	2,955.00	61.46	250.00	-	-		
-From Others	1,100.00	1,100.00	3,100.00	2,000.00	1,250.00	1,000.00		
-Vehicle Loan								
-From Banks	-	-	1.36	4.40	1.95	10.63		
Unsecured Loans								
-From Related Parties	729.19	688.76	685.47	185.70	1,946.16	644.98		
-From Others	-	-	-	-	-	-		
TOTAL	4,745.00	4,743.76	3,848.29	2,440.10	3,198.11	1,655.61		

NATURE OF SECURITY AND TERMS OF BORROWINGS:	REPAYMENT FOR LONG TERM
Nature of Security	Terms of Repayment
Car Loan amounting to Rs. 8.07 Lacs is secured against Verna Car	Loan to be repaid in 36 equal monthly instalment, starting from November, 2010 and last instalment due in October, 2013
Car Loan amounting to Rs. 27.49 Lacs is secured against Verna Car	Loan to be repaid in 36 equal monthly instalment, starting from March, 2009 and last instalment due in February, 2012
Car Loan amounting to Rs. 8.60 Lacs is secured against Verna Car	Loan to be repaid in 36 equal monthly instalment, starting from September, 2012 and last instalment due in August, 2015
Car Loan amounting to Rs. 5.86 Lacs is secured against Hyundai I-20 Car	Loan to be repaid in 36 equal monthly instalment, starting from September, 2010 and last instalment due in August, 2013
Car Loan amounting to Rs. 5.88 Lacs is secured against Hyundai I-20 Car	Loan to be repaid in 36 equal monthly instalment, starting from September, 2010 and last instalment due in August, 2013
Term Loan amounting to Rs. 10 Crores from SICOM Ltd. is secured by mortgage of Land owned by Diamond Projects Ltd. (Group Company) & Ground Floor and First Floor of Building owned by Diamond Power Infrastructure Ltd. (Holding Co.) & is further secured by personal guarantee of promoters of the company.	Loan to be repaid in single instalment at the end of 3rd year.
Term Loan amounting to Rs. 1 Crores from SICOM Ltd. is secured by mortgage of Land owned by Diamond Projects Ltd. (Group Company) & Ground Floor and First Floor of Building owned by Diamond Power Infrastructure Ltd. (Holding Co.) & is further secured by personal guarantee of promoters of	Loan to be repaid in single instalment at the end of 3rd year.



repayment are not fixed.

NATURE OF SECURITY AND TERMS OF	REPAYMENT FOR LONG TERM
BORROWINGS:	
Nature of Security	Terms of Repayment
the company.	
Working Capital Term Loan from UCO Bank of Rs. 13.55 Crores is secured by hypothecation of Entire Current Assets of the Company	Loan to be repaid in 26 Structured Quarterly Instalments, starting from May, 2016 and last instalment due in August, 2022
Working Capital Term Loan from UCO Bank of Rs. 16 Crores is secured by personal guarantee of promoters of the company & is further secured by corporate guarantee of Diamond Power Infrastructure Limited & Apex Electricals limited	Loan to be repaid in 26 Structured Quarterly Instalments, starting from May, 2016 and last instalment due in August, 2022
Term Loan amounting to Rs. 20 Crores from SICOM Ltd. is secured by mortgage of Land owned by Diamond Projects Ltd. (Group Company) & Ground Floor and First Floor of Building owned by Diamond Power Infrastructure Ltd. (Holding Co.) & is further secured by personal guarantee of promoters of the company.	Loan to be repaid in single instalment at the end of 3rd year.
Unsecured Loans from Related Parties and C	Others carries Nil rate of Interest and the terms of



DETAILS OF DEFERRED TAX ASSET/(LIABILITY) AS RESTATED

(Rs. In Lakhs)

Particulars	As at Septem					
	ber 30, 2015	2015	2014	2013	2012	2011
Deferred Tax Liability						
Related to WDV of Fixed Assets	-10.07	-13.68	-45.67	-47.80	-55.08	-60.51
Deferred Tax Asset						
Related to Expense disallowed						
under IT Act	-0.45	1.39	1.23	1.07	0.17	0.69
Related to Brought Forward of						
Losses	1,779.63	1,779.63	-	_	1	1
Related to Unabsorbed						
Depreciation	24.17	23.71	-	-	-	-
Deferred Tax Asset/(Liability) (net) after adjustments	1,793.28	1,791.05	-44.44	-46.73	-54.91	-59.82

ANNEXURE-IX

DETAILS OF OTHER LONG TERM LIABILITIES AS RESTATED (Rs. In Lakhs)

Particulars	As at Septembe		A	s at March 3	31,	
ı	r 30, 2015	2015	2014	2013	2012	2011
Long Term Trade						
Payables	-	-	-	815.53	759.90	762.90
TOTAL	-	-	-	815.53	759.90	762.90

ANNEXURE-X

DETAILS OF LONG TERM PROVISIONS AS RESTATED (Rs. In Lakhs) As at

	As at	As at March 31,					
Particulars	September 30, 2015	2015	2014	2013	2012	2011	
Provision for Employee Benefits	5.59	6.34	4.27	3.33	1.71	1.45	
TOTAL	5.59	6.34	4.27	3.33	1.71	1.45	



ANNEXURE-XI

DETAILS OF SHORT TERM BORROWING AS RESTATED (Rs. In Lak						n Lakhs)			
Particulars	As at September 30,	As at March 31,							
	2015	2015 2014 2013 2012							
Secured									
Cash Credit									
-From Banks	4,422.73	3,576.12	4,028.29	4,047.34	2,996.55	558.38			
Inter Corporate									
Deposits									
-From Others	-	-	-	1,675.00	-	-			
TOTAL	4,422.73	3,576.12	4,028.29	5,722.34	2,996.55	558.38			

ANNEXURE-XII

DETAILS OF TRADE	DETAILS OF TRADE PAYABLES AS RESTATED									
Particulars	As at September 30,		1,							
	2015	2015	2014	2013	2012	2011				
Micro, Small and	-	-	-	-	-	-				
Medium Enterprises										
Others										
From Directors/	-	-	-	-	-	-				
Promoter/ Promoter										
Group/ Relatives of										
Directors and Group										
Companies										
Others	848.79	497.74	2,667.61	721.64	568.37	258.19				
TOTAL	848.79	497.74	2,667.61	721.64	568.37	258.19				

ANNEXURE-XIII

AINIEAURE-AIII											
DETAILS OF OTHER	CURRENT L	IABILITIES	AS RESTA	TED	(Rs. 1	In Lakhs)					
Particulars	As at September 30,	As at March 31,									
	2015	2015 2014 2013 2012 2011									
Creditor for Expenses	973.45	715.85	3,566.19	1,120.71	1,113.04	74.70					
Employee Dues	38.85	31.70	30.46	2.91	14.32	6.76					
payable											
Statutory Dues	57.53	86.21	13.95	17.04	16.38	105.73					
Payable											
Current Maturities of	2,054.00	2,062.82 191.58 255.81 8.68 15.56									
Long Term Debts											
TOTAL	3,123.83	2,896.58 3,802.18 1,396.47 1,152.42 202.75									



ANNEXURE-XIV

DETAILS OF SHORT	(Rs. Iı	(Rs. In Lakhs)						
Particulars	As at September 30,	As at March 31,						
	2015	2015	2014	2013	2012	2011		
Provision for Taxation	816.31	827.61	848.85	752.55	848.22	677.79		
Provision for	7.02	7.71	5.28	2.71	0.88	0.62		
Employee Benefits								
TOTAL	823.33	835.32	854.13	755.26	849.10	678.41		



ANNEXURE-XV

DETAILS OF FIXED ASSETS AS RESTATED

(Rs. In Lakhs)

		GROSS	BLOCK		DEPRECIATION				NET BLOCK	
FIXED ASSETS	AS AT 01.04.201 0	ADDITIO NS	DEDUCTI ONS	AS AT 31.03.201 1	UPTO 01.04.201 0	FOR THE YEAR	DEDUCTI ONS / ADJUST MENTS	UPTO 31.03.201 1	AS AT 31.03.201 1	AS AT 31.03.201 0
Tangible Assets										
Building	156.00	162.07	-	318.07	35.34	26.20	-	61.54	256.53	120.66
Land	92.50	647.36	-	739.86	-	-	-	1	739.86	92.50
Plant & Machinery	54.21	394.30	-	448.51	20.61	54.89	-	75.50	373.01	33.60
Office Equipments	8.47	59.27	-	67.74	3.25	8.14	-	11.39	56.35	5.22
Computer	10.37	0.28	-	10.65	4.08	2.53	-	6.61	4.04	6.29
Furniture & Fixture	8.35	0.86	1	9.21	2.60	1.15	-	3.75	5.46	5.75
Electrical Installation	3.77	-	-	3.77	0.89	0.40	-	1.29	2.48	2.88
Air Conditioner	0.24	0.65	-	0.89	0.09	0.02	-	0.11	0.78	0.15
Vehicles	31.86	23.06	-	54.92	8.86	8.89	-	17.75	37.17	23.00
Refrigerator		0.09	-	0.09		0.01	-	0.01	0.08	
Total	365.77	1,287.94	-	1,653.71	75.72	102.23	-	177.95	1,475.76	290.05
Grand Total	365.77	1,287.94	•	1,653.71	75.72	102.23	-	177.95	1,475.76	290.05



	GROSS BLOCK EIVED ASSETS AS AT ADDITIO DEDUCTI AS AT					DEPRECIATION				NET BLOCK	
FIXED ASSETS	AS AT 01.04.201 1	ADDITIO NS	DEDUCTI ONS	AS AT 31.03.201 2	UPTO 01.04.201 1	FOR THE YEAR	DEDUCTI ONS / ADJUST MENTS	UPTO 31.03.201 2	AS AT 31.03.201 2	AS AT 31.03.201 1	
Tangible Assets											
Building	318.07	28.15	-	346.22	61.54	26.70	-	88.24	257.98	256.53	
Land	739.86	-	158.93	580.93	-	-	-	_	580.93	739.86	
Plant & Machinery	448.51	26.42	-	474.93	75.50	52.93	-	128.43	346.50	373.01	
Office Equipments	67.74	15.84	-	83.58	11.39	8.30	-	19.69	63.89	56.35	
Computer	10.65	22.46	-	33.11	6.61	5.09	-	11.70	21.41	4.04	
Furniture & Fixture	9.21	4.81	-	14.02	3.75	1.30	-	5.05	8.97	5.46	
Electrical Installation	3.77	16.16	-	19.93	1.29	0.83	-	2.12	17.81	2.48	
Air Conditioner	0.89	2.26	-	3.15	0.11	0.21	-	0.32	2.83	0.78	
Vehicles	54.92	-	-	54.92	17.75	9.63	-	27.38	27.54	37.17	
Refrigerator	0.09	-	-	0.09	0.01	0.01	-	0.02	0.07	0.08	
Total	1,653.71	116.10	158.93	1,610.88	177.95	105.00	-	282.95	1,327.93	1,475.76	
Grand Total	1,653.71	116.10	158.93	1,610.88	177.95	105.00	-	282.95	1,327.93	1,475.76	



		GROSS	BLOCK	DEPRECIATION				NET BLOCK		
FIXED ASSETS	AS AT 01.04.201 2	ADDITIO NS	DEDUCTI ONS	AS AT 31.03.201 3	UPTO 01.04.201 2	FOR THE YEAR	DEDUCTI ONS / ADJUST MENTS	UPTO 31.03.201 3	AS AT 31.03.201 3	AS AT 31.03.201 2
Tangible Assets										
Building	346.22	25.23	-	371.45	88.24	27.19		115.43	256.02	257.98
Land	580.93	-	-	580.93	-	-	-	-	580.93	580.93
Plant & Machinery	474.93	14.41	-	489.34	128.43	49.35	-	177.78	311.56	346.50
Office Equipments	83.58	4.20	-	87.78	19.69	9.24		28.93	58.85	63.89
Computer	33.11	7.97	-	41.08	11.70	10.70		22.40	18.68	21.41
Furniture & Fixture	14.02	0.22	-	14.24	5.05	1.64		6.69	7.55	8.97
Electrical Installation	19.93	8.14	-	28.07	2.12	3.29		5.41	22.66	17.81
Air Conditioner	3.15	0.05	-	3.20	0.32	0.40		0.72	2.48	2.83
Vehicles	54.92	13.08	1	68.00	27.38	8.80		36.18	31.82	27.54
Refrigerator	0.09	-	-	0.09	0.02	0.01		0.03	0.06	0.07
Total	1,610.88	73.30	1	1,684.18	282.95	110.62	-	393.57	1,290.61	1,327.93
Intangible Assets										
Capital WIP	-	641.72	-	641.72	-	-	-	-	641.72	-
Grand Total	1,610.88	715.02	-	2,325.90	282.95	110.62	-	393.57	1,932.33	1,327.93



		GROSS	BLOCK		DEPRECIATION				NET BLOCK	
FIXED ASSETS	AS AT 01.04.201 3	ADDITIO NS	DEDUCTI ONS	AS AT 31.03.201 4	UPTO 01.04.201 2	FOR THE YEAR	DEDUC TIONS / ADJUST MENTS	UPTO 31.03.201 3	AS AT 31.03.201 4	AS AT 31.03.201 3
Tangible Assets										
Building	371.45	0.21	-	371.66	115.43	25.61	-	141.04	230.62	256.02
Land	580.93	-	-	580.93	-	-	-	-	580.93	580.93
Plant & Machinery	489.34	2.02	-	491.36	177.78	43.48	1	221.26	270.10	311.56
Office Equipments	87.78	2.11	-	89.89	28.93	8.34	-	37.27	52.62	58.85
Computer	41.08	18.79	-	59.87	22.40	12.36	-	34.76	25.11	18.68
Furniture & Fixture	14.24	1.63	-	15.87	6.69	1.56	1	8.25	7.62	7.55
Electrical Installation	28.07	-	-	28.07	5.41	3.15	-	8.56	19.51	22.66
Air Conditioner	3.20	-	-	3.20	0.72	0.35	-	1.07	2.13	2.48
Vehicles	68.00	-	-	68.00	36.18	8.24	-	44.42	23.58	31.82
Refrigerator	0.09	-	-	0.09	0.03	0.01	1	0.04	0.05	0.06
Total	1,684.18	24.76	-	1,708.94	393.57	103.10	•	496.67	1,212.27	1,290.61
Intangible Assets										
Capital WIP	641.72	293.39	-	935.11	-	-	-	-	935.11	641.72
Grand Total	2,325.90	318.15	-	2,644.05	393.57	103.10	-	496.67	2,147.38	1,932.33



		GROSS	BLOCK		DEPRECIATION				NET BLOCK	
FIXED ASSETS	AS AT 01.04.201 4	ADDITIO NS	DEDUCTI ONS	AS AT 31.03.201 5	UPTO 01.04.201 4	FOR THE YEAR	DEDUCTI ONS / ADJUST MENTS	UPTO 31.03.201 5	AS AT 31.03.201 5	AS AT 31.03.201 4
Tangible Assets										
Building	371.66	9.54	-	381.20	141.04	22.38	-	163.42	217.78	230.62
Land	580.93	-	-	580.93	-	-	-	-	580.93	580.93
Plant & Machinery	491.36	15.27	-	506.63	221.26	53.62	-	274.88	231.75	270.10
Office Equipments	89.89	1.34	-	91.23	37.27	42.80	-	80.07	11.16	52.62
Computer	59.87	3.91	-	63.78	34.76	20.78	-	55.54	8.24	25.11
Furniture & Fixture	15.87	-	-	15.87	8.25	2.32	-	10.57	5.30	7.62
Electrical Installation	28.07	3.65	-	31.72	8.56	6.61	-	15.17	16.55	19.51
Air Conditioner	3.20	0.62	-	3.82	1.07	1.64	-	2.71	1.11	2.13
Vehicles	68.00	-	-	68.00	44.42	8.40	-	52.82	15.18	23.58
Refrigerator	0.09	-	-	0.09	0.04	0.05	-	0.09	-	0.05
Total	1,708.94	34.33	-	1,743.27	496.67	158.60	-	655.27	1,088.00	1,212.27
Intangible Assets										
Capital WIP	935.11	-	-	935.11	-	-	-	-	935.11	935.11
Grand Total	2,644.05	34.33	-	2,678.38	496.67	158.60	-	655.27	2,023.11	2,147.38



		GROSS	SBLOCK	DEPRECIATION				NET BLOCK		
FIXED ASSETS	AS AT 01.04.2015	ADDITIO NS	DEDUCTIO NS	AS AT 30.09.2015	UPTO 01.04.2015	FOR THE YEAR	DEDUCT IONS / ADJUST MENTS	UPTO 30.09.2015	AS AT 30.09.2015	AS AT 31.03.201 5
Tangible Assets										
Building	381.20	-	-	381.20	163.42	10.26	-	173.68	207.52	217.78
Land	580.93	-	-	580.93	-	-	-	-	580.93	580.93
Plant & Machinery	506.63	-	-	506.63	274.88	22.59	-	297.47	209.16	231.75
Office Equipments	91.23	0.76	-	91.99	80.07	2.33	-	82.40	9.59	11.16
Computer	63.78	-	-	63.78	55.54	2.11	-	57.65	6.13	8.24
Furniture & Fixture	15.87	-	-	15.87	10.57	0.73	-	11.30	4.57	5.30
Electrical Installation	31.72	-	-	31.72	15.17	2.25	-	17.42	14.30	16.55
Air Conditioner	3.82	-	-	3.82	2.71	0.30	-	3.01	0.81	1.11
Vehicles	68.00	-	-	68.00	52.82	2.69	-	55.51	12.49	15.18
Refrigerator	0.09	-	-	0.09	0.09	-	-	0.09	-	-
Total	1,743.27	0.76	-	1,744.03	655.27	43.26	-	698.53	1,045.50	1,088.00
Intangible Assets										
Capital WIP	935.11	-	-	935.11	-	-	-	-	935.11	935.11
Grand Total	2,678.38	0.76	-	2,679.14	655.27	43.26	-	698.53	1,980.61	2,023.11



ANNEXURE-XVI

DETAILS OF NON-CURRENT INVESTMENTS AS RESTATED (Rs. In Lakhs)										
Particulars	As at September 30,	As at March 31,								
	2015	2015	2014	2013	2012	2011				
Unquoted- At Cost										
Investment in equity instruments of:										
Maktel Power Limited										
(Formerly known as Danke Control Private Limited)										
-Cost of Investment	500.00	500.00	500.00	500.00	-	-				
-Number of equity shares invested	7,41,715.00	7,41,715.00	7,41,715.00	7,41,715.00	-	-				
Maktel Control & Systems Private Limited										
-Cost of Investment	540.00	540.00	540.00	540.00	-	-				
-Number of equity shares invested	15,00,000.0	15,00,000.0	15,00,000.0	15,00,000.0	-	-				
Investment in FD	118.19	118.19	118.19	-	-					
TOTAL	1,158.19	1,158.19	1,158.19	1,040.00	-	-				
Aggregate Cost of Quoted Investments					_					
Aggregate Cost of Unquoted Investments	1,158.19	1,158.19	1,158.19	1,040.00	-	-				
Aggregate Market Value of Quoted Investments	-	-	-	-	-	_				

ANNEXURE-XVII

ATTEMORE-ATT											
DETAILS OF LONG	TERM LOAN A	AND ADVA	NCES AS RI	ESTATED	(Rs. l	In Lakhs)					
Particulars	As at September 30,	As at March 31,									
2015 2015 2014 2013 2012											
Government Deposit	3.02	2.14	0.01	78.43	15.56	-					
Security Deposit	755.53	750.53	761.02	702.45	702.45	562.33					
Loans to Related Parties	29.28	29.27	29.27	25.52	25.52	-					
Loan to Corporates	1,252.07	1,250.60	1,250.18	1,500.00	-	-					
TOTAL	2,039.90	2,032.54	2,040.48	2,306.40	743.53	562.33					



ANNEXURE-XVIII

DETAILS OF INVENT	TORIES AS RE	ESTATED			(Rs.]	In Lakhs)				
Particulars	As at September 30,	As at March 31,								
	2015	2015	2014	2013	2012	2011				
Raw Material	231.13	232.84	247.46	188.57	546.77	59.12				
Work in Progress	4,606.14	3,473.11	5,805.82	4,231.65	3,540.54	1,355.90				
Finished Goods	-	2.16 3.64 38.15 4.98 91.03								
TOTAL	4,837.27	3,708.11 6,056.92 4,458.37 4,092.29 1,506.05								

ANNEXURE-XIX

DETAILS OF TRADE	RECEIVABLI	ES AS REST	TATED		(Rs.)	In Lakhs)		
Particulars	As at September 30, 2015							
Unsecured, Considered	2013	2013	2014	2013	2012	2011		
Good, unless otherwise								
stated								
- Over Six Months								
From Directors/	-	-	-	_	-	-		
Promoter/ Promoter								
Group/ Relatives of								
Directors and Group								
Companies								
Others	-	-	-	-	-	-		
- Other Debts								
From Directors/	-	-	-	275.15	219.51	219.51		
Promoter/ Promoter								
Group/ Relatives of								
Directors and Group								
Companies								
Others	3,589.54	3,145.15	8,698.96	6,397.58	6,154.98	4,035.96		
TOTAL	3,589.54	3,145.15	8,698.96	6,672.73	6,374.49	4,255.47		

ANNEXURE-XX

DETAILS OF CASH &	& CASH EQUI	VALENTS A	S RESTAT	ED	(Rs. 1	(n Lakhs)				
Particulars	As at September 30,	ber As at March 31,								
	2015	2015	2014	2013	2012	2011				
Cash In Hand	0.36	1.04	0.40	5.87	28.79	2.32				
Balance with Banks	55.92	156.11	269.68	569.93	916.67	18.20				
Cheques on Hand	-	-	-	-	36.96	-				
Margin Money	313.07	309.90	673.19	347.98	409.70	85.63				
TOTAL	369.35	467.05	943.27	923.78	1,392.12	106.15				



ANNEXURE-XXI

DETAILS OF SHORT	TERM LOAN	AND ADV	ANCES AS I	RESTATED	(Rs. 1	n Lakhs)				
Particulars	As at September 30,	As at March 31,								
	2015	2015	2014	2013	2012	2011				
Loans and Advances to Staff	13.66	18.43	17.19	-	1	25.00				
Advances for Expenses	-	94.16	150.69	-	-	0.99				
Advances for Goods	-	-	-	-	1,092.84	66.80				
Lease Rent Deposit	-	-	-	-	-	127.01				
TOTAL	13.66	112.59	167.88	-	1,092.84	219.80				

ANNEXURE-XXII

DETAILS OF OTHE	CR CURRENT A	SSETS AS R	ESTATED		(Rs. I	n Lakhs)			
Particulars	As at September 30,	As at March 31,							
	2015	2015	2014	2013	2012	2011			
Interest Receivable	374.17	297.93	142.69	46.90	18.06	-			
Prepaid Expenses	-	1.73	0.70	0.28	0.28	-			
Balances with Government Authorities	17.77	32.40	163.16	203.84	205.49	91.33			
TOTAL	391.94	332.06	306.55	251.02	223.83	91.33			



ANNEXURE-XXIII

DETAILS OF REVEN	UE FROM O	PERATION	S AS REST	ATED	(Rs.	In Lakhs)		
Particulars	As at September 30,	ber As at March 31,						
	2015	2015	2014	2013	2012	2011		
Sales of Manufactured								
Goods	1,010.99	14,079.91	19,705.39	16,545.54	3,573.27	1,597.29		
Sales of Traded								
Goods	12,482.27	18,805.46	28,201.17	18,298.96	22,887.69	22,541.27		
Sales of Services	-	-	-	-	-	-		
Turnover in respect of								
products not normally								
dealt with	-	-	-	-	-	-		
TOTAL	13,493.26	32,885.37	47,906.56	34,844.50	26,460.96	24,138.56		

ANNEXURE- XXIV

DETAILS OF OTHER INCOME AS RESTATED											
Particulars	For the period Ended September 30, 2015	For the Year Ended March 31, 2015	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Year Ended March 31, 2012	For the Year Ended March 31, 2011	Nature				
Other income	113.13	222.57	116.96	323.14	12.55	4.88					
Net Profit Before Tax as Restated	-11.74	-5,891.93	885.37	24.21	2,445.91	2,060.29					
Percentage	-963.63%	-3.78%	13.21%	1,334.74%	0.51%	0.01%					

Source of Income

Miscellaneous Income	0.13	1.78	4.71	1.06	0.76	-	Recurring and not related to business activity.
Foreign Exchange Fluctuation Gain	1	1	-	0.19	-	-	Non recurring and not related to business activity.
Interest on FDR	17.51	22.13	51.13	36.01	9.88	4.88	Recurring and related to business activity.
Interest Received	95.49	198.66	61.08	285.14	1.91	-	Non recurring and not related to business activity.
Claim Received	-	1	0.04	0.74	-	-	Non recurring and not related to business activity.
Total Other income	113.13	222.57	116.96	323.14	12.55	4.88	



ANNEXURE- XXV

Related Party	Transac	<u>tions</u>											(Rs. In L	akhs)
Name		Nature of Transact ion	Amou nt of Trans action upto Sept 30, 2015	Amount Outstan ding as on 30.09.20 15 (Payabl e)/ Receiva ble	Amou nt of Trans action in 2014- 15	Amou nt Outsta nding as on 31.03.1 5 (Payab le)/ Receiv able	Amou nt of Trans action in 2013- 14	Amou nt Outsta nding as on 31.03.1 4 (Payab le)/ Receiv able	Amou nt of Trans action in 2012- 13	Amount Outstan ding as on 31.03.20 13 (Payabl e)/ Receiva ble	Amou nt of Trans action in 2011- 12	Amount Outstan ding as on 31.03.20 12 (Payabl e)/ Receiva ble	Amou nt of Trans action in 2010- 11	Amount Outstan ding as on 31.03.20 11 (Payabl e)/ Receiva ble
		Sales	14,194 .86	14,569.0 1	11,21 4.96	869.30	30,91 8.88	5,103.5 0	19,67 9.34	3,436.36	25,47 8.95	4,817.08	14,19 4.86	3,184.11
		Purchase	-	-	-	-	_	-	14,72 7.15	-	23,33 0.99	-	11,29 2.01	-
DIAMOND POWER INFRASTR	Holdin	Share Allotmen	-	_	_	_	_	_	_	_	_	_	500.0	_
UCTURE	Comp any	Loan			170.3		2,359.		2,204.		2,785.		3,707.	
LIMITED	uny	taken	41.38		4		66		79		29		05	
		Interest on Loan Given	_		_		_		94.47		56.55		_	
		Loan	0.94	-729.20	167.0 5	-688.76	1,859. 90	-685.47	4,059. 71	-185.70	1,540. 65	- 1,946.16	2,562. 07	-644.98
DIAMOND	Associ	Repaid Loan Given	- 0.94	-129.20	-	-088.70	-	-083.47	3,325. 00	-103.70	1,500. 00	1,940.10	-	-044.98
INFOSYST EMS LTD.	ate Comp any	Loan Repaid			-		-		-	1,500.00	-	1,500.00	1	- -



Name		Nature of Transact ion	Amou nt of Trans action upto Sept 30, 2015	Amount Outstan ding as on 30.09.20 15 (Payabl e)/ Receiva ble	Amou nt of Trans action in 2014- 15	Amou nt Outsta nding as on 31.03.1 5 (Payab le)/ Receiv able	Amou nt of Trans action in 2013- 14	Amou nt Outsta nding as on 31.03.1 4 (Payab le)/ Receiv able	Amou nt of Trans action in 2012- 13	Amount Outstan ding as on 31.03.20 13 (Payabl e)/ Receiva ble	Amou nt of Trans action in 2011- 12	Amount Outstan ding as on 31.03.20 12 (Payabl e)/ Receiva ble	Amou nt of Trans action in 2010- 11	Amount Outstan ding as on 31.03.20 11 (Payabl e)/ Receiva ble
		Loan taken	_	_	_		-		3,325. 00		-		-	
DIAMOND	Associ ate	Loan Repaid	-	-	-	-	-	-	55.64	275.15	-	- 219.51	-	219.51
PROJECTS LTD	Comp	Sales	1	1	_	1	275.1 5	1	1	1	1	_	1	1
		Purchase	-	-	637.9	-	294.0	1	100.0	-100.00	-	_	-	_
Director Remuneratio n		Director Remuner ation	-	-	637.9	-	394.0	-	-	-	1	-	-	-
SMT. MADHRIL ATE BHATNAG AR	SPOU SE OF DIRE CTOR	Salary	-	-	-	-	-	-	-	-	-	_	9,523. 11	-
SMT. MONA BHATNAG AR	SPOU SE OF DIRE CTOR	Salary	-	-		-	-	-	-	-815.53	-	-759.90	10,35 8.83	-762.90
SMT. RICHA	SPOU SE OF	Salary	-	-	-	-	-	-	-	-	680.0 0	-	-	-



Name		Nature of Transact ion	Amou nt of Trans action upto Sept 30, 2015	Amount Outstan ding as on 30.09.20 15 (Payabl e)/ Receiva ble	Amou nt of Trans action in 2014- 15	Amou nt Outsta nding as on 31.03.1 5 (Payab le)/ Receiv able	Amou nt of Trans action in 2013- 14	Amou nt Outsta nding as on 31.03.1 4 (Payab le)/ Receiv able	Amou nt of Trans action in 2012- 13	Amount Outstan ding as on 31.03.20 13 (Payabl e)/ Receiva ble	Amou nt of Trans action in 2011- 12	Amount Outstan ding as on 31.03.20 12 (Payabl e)/ Receiva ble	Amou nt of Trans action in 2010- 11	Amount Outstan ding as on 31.03.20 11 (Payabl e)/ Receiva ble
BHATNAG	DIRE													
AR	CTOR													
Y.N BHATNAG AR	UNCL E OF DIRE CTOR	Salary	2.52	_	5.04	_	5.04	_	5.04	_	5.04	_	5.04	_



Summary of Accounting Ratios						
Ratios	Period Ended September, 30th 2015	Year ended March, 31st 2015	Year ended March, 31st 2014	Year ended March, 31st 2013	Year ended March, 31st 2012	Year ended March, 31st 2011
Restated PAT as per P& L Account	-9.51	-4,056.43	587.19	17.27	1,626.57	1,320.35
Weighted Average Number of Equity Shares at the end of the Year	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	50,54,795
No. of Shares outstanding at the year end	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000	1,00,00,000
Net Worth	2,204.48	2,213.99	6,270.42	5,683.22	5,665.95	4,039.38
Earnings Per Share						
Basic & Diluted	-0.10	-40.56	5.87	0.17	16.27	26.12
Return on Net Worth (%)	-0.43%	-183.22%	9.36%	0.30%	28.71%	32.69%
Net Asset Value Per Share (Rs)	22.04	22.14	62.70	56.83	56.66	40.39
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00

Restated Profit after Tax available to equity Shareholders

Weighted Average Number of Equity Shares at the end of the year / period

Restated Profit after Tax available to equity Shareholders

Restated Profit after Tax available to equity Shareholders

Restated Profit after Tax available to equity Shareholders

Restated Net Worth of Equity Shareholders

Net Asset Value per equity share (Rs.)

Restated Net Worth of Equity Shareholders

Number of Equity Shares outstanding at the end of the year / period

2. The figures for the period ended September 30, 2015 are not annualised.

1. Ratios have been calculated as below



ANNEXURE-XXVII

CAPITALISATION STATEMENT AS AT 30TH SEPTEM	MBER, 2015	(Rs. In Lakhs)
Particulars	Pre Issue	Post Issue
Borrowings		
Short term debt (A)	4,422.73	4,422.73
Long Term Debt (B)	6,799.00	6,799.00
Total debts (C)	11,221.73	11,221.73
Shareholders' funds		
Equity share capital	1,000.00	2,197.71
Reserve and surplus - as restated	1,204.48	2,402.19
Total shareholders' funds	2,204.48	4,599.89
Long term debt / shareholders funds	3.08	1.48
Total debt / shareholders funds	5.09	2.44

- On January 11, 2016, the Company made a preferential allotment of 1,19,77,054 Equity shares of face value of Rs. 10/- each at a premium of Rs. 10/- each to M/s. Diamond Power Transformers Private Limited.
- Pre Issue and Post Issue Debt Figures are assumed to be same.

ANNEXURE-XXVIII

STATEMENT OF TAX SHEI	STATEMENT OF TAX SHELTERS (Rs. In Lakhs)					Lakhs)
Particulars	Period ended Septembe r 30, 2015	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011
Restated Profit before tax (A)	-11.74	5,891.93	885.37	24.21	2,445.9 1	2,060.2 9
Tax Rate (%)	30.900%	30.900%	32.445 %	30.900 %	32.445 %	33.218 %
Tax at notional rate on profits	-	-	287.26	7.48	793.58	684.38
Adjustments:						
Permanent Differences(B)						
Donation	-	0.05	0.05	1.67	8.86	4.29
Interest on delayed payment of Income tax	-	1.96	18.36	4.59	72.05	73.18
Disallowable u/s 37	-	-	4.56	-	-	-
Disallowable u/s 40A	-	-	0.27	-	-	-
Disallowable u/s 40	-	-	-	-	0.71	-
Total Permanent Differences(B)	-	2.01	23.24	6.26	81.62	77.47
Income considered separately (C)						
Interest Income	-113.00	-220.78	-112.22	-321.15	-11.79	-4.88



Total Income considered separately (C)	-113.00	-220.78	-112.22	-321.15	-11.79	-4.88
Timing Differences (D)						
Difference between tax	11.70	81.85	13.95	15.00	12.37	-91.59
depreciation and book						
depreciation						
Difference due to expenses	-1.45	4.50	3.51	3.45	0.52	2.07
allowable/ disallowable u/s						
43B		0 (• •		10.15	10.00	00.50
Total Timing Differences (D)	10.25	86.35	17.46	18.45	12.89	-89.52
Net Adjustments E =	-102.75	-132.42	-71.52	-296.44	82.72	-16.93
(B+C+D)						
Tax expense / (saving)	-	-	-23.00	-	27.00	-6.00
thereon						
Income chargeable under						
the head OTHER SOURCES (F)						
Interest Income	113.00	220.78	112.22	321.15	11.79	4.88
Total Income chargeable	113.00	220.78	112.22	321.15	11.79	4.88
under the head OTHER						
SOURCES (F) Deduction under Chapter						
VI-A (G)						
Deduction u/s 80G	-	-	0.03	-	-	-
Total Deduction under		_	0.03	_	_	-
Chapter VI-A (G)			*****			
Taxable Income/(Loss)	-1.49	-	926.11	48.92	2,540.4	2,048.2
(A+E+F+G)		5,803.57			2	5
Taxable Income/(Loss) as	-11.74	_	885.37	24.21	2,445.9	2,060.2
per MAT		5,891.93			1	9
Income Tax as	-	-	300.48	15.12	824.24	680.38
returned/computed						
Tax paid as per normal or	Normal	Normal	Normal	Normal	Normal	Normal
MAT						

DETAILS OF CONTINGENT LIABILITIES

ANNEXURE – XXIX (Rs.in lakhs)

Particulars	As on the date of the Draft Prospectus
Disputed Income Tax Demands under appeal	4.26



MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the financial period ended September 30, 2015 and for the financial years ended March 31, 2015, March 31, 2014 and March 31, 2013 prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in the section titled "Financial Statements" beginning on page 167 of this Draft Prospectus.

Indian GAAP differs in certain material aspects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Prospectus, nor do we provide reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in "Risk Factors" and "Forward-Looking Statements" on pages 16 and 15 respectively, of this Draft Prospectus.

Our Company was incorporated on December 28, 2007 and has completed more than Seven years since incorporation. The Management's Discussion and Analysis of Financial Condition and Results of Operations, reflects the analysis and discussion of our financial condition and results of operations for the financial period ended September 30, 2015 and for the financial years ended March 31, 2015, March 31, 2014 and March 31, 2013.

OVERVIEW

Our Company, Diamond Power Transformers Limited is primarily engaged in manufacturing of power and distribution transformers and transmission towers. Alongwith manufacturing of transformers and transmission towers, we also undertake trading of cables and conductors.

Incorporated in 2007, by conversion of a partnership firm "M/s. Diamond Power Transformers (formerly known as Western Transformers)" our Company is one of the well known names in heavy electrical industry in Gujarat. Western Transformers was originally promoted by Mr. Narendra Bhut and his family members. In 2007, Diamond Power Infrastructure Limited (formerly known as Diamond Cables Limited) joined in as a partner in the said firm making a change in control. Currently, we are jointly promoted by Diamond Power Infrastructure Limited, the flagship Company of esteemed Diamond Group and by Diamond Power Transmission Private Limited. Our Company forms part of the esteemed Diamond Group, which is an established name in electrical industry. The Group being a major player in the electrical industry, has helped us established our brand and build up reputed client base.

At present, our Company operates through two manufacturing facilities in Vadodara, of which one is situated at Ranoli and the other at Padra. Our manufacturing facility at Ranoli is spread over an area of 2,312.56 square metres and is engaged in manufacturing of distribution transformers. This unit is utilised to manufacture distribution transformers upto 33kV, 500 KVA. Our other manufacturing facility, located at Padra is spread more than over an area of 9,000.00 square metres and is engaged in manufacturing of power transformers, distribution transformers and transmission towers. This facility generally undertakes manufacture of power transformers upto the range of 220kV, 315



MVA. Both our manufacturing facilities are well equipped with infrastructural, technical and inhouse engineering facilities to enable us to comply with qualitative standards.

Our qualified management, in-house technical and design expertise, skilled workforce and well equipped manufacturing facilities enable us to manufacture a range of transformers such as power transformers, furnace duty transformers, distribution transformers, generator transformers, etc. to meet diverse client requirements. With capabilities to design and manufacture a comprehensive range of power and distribution transformers, we have manufactured over 50,000 transformers of various ratings based on the inherent design data. Our sales model is divided into 2 parts, i) making sales by subscribing and fulfilling of tenders invited by Electricity Companies operated by state governments and ii) by selling to corporates across diverse industries. Apart from supplying products domestically, we also export our products to various countries.

With a vision to become one of the largest transformers manufacturers, focus on delivering qualitative products, continued government support, experience of our Promoters and dedication of our employees we aim to expand our operations on PAN India basis

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL PERIOD

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Draft Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:-

- 1. Jayramrao Marathe resigned from his post of Director of the Company w.e.f. October 07, 2015.
- 2. The Board of Directors appointed Ashok Kumar Singh, Ashok Kumar Krishan Singh Gautam and Rajendrakumar Patel as additional Independent Directors at their meeting dated October 24, 2015. Subsequently, the shareholders appointed them as Independent Directors in the extraordinary general meeting held on November 19, 2015.
- 3. The Authorised Share Capital of the Company was increased from Rs. 10 Crore to Rs. 20 Crore vide Shareholders Resolution dated December 11, 2015. Subsequently, the Authorised Share Capital was further increased to Rs. 22 Crore *vide* Shareholders Resolution dated December 15, 2015.
- 4. The board of directors passed a board resolution dated December 19, 2015 authorizing the Initial Public Offer by way of Offer for Sale.
- 5. The Company disposed off its entire shareholding in Maktel Power Limited and Maktel Control & Systems Private Limited on December 19, 2015.
- 6. The Board of Directors appointed Sunil Parikh as Chief Financial Officer of the Company in their meeting dated December 24, 2015.
- 7. The Company made preferential allotment of 1,19,77,054 Equity Shares at Rs. 20/- each to M/s. Diamond Power Transmission Private Limited on January 11, 2016.
- 8. The shareholders designated Amit Bhatnagar as Chairman and Managing Director of the Company in the extraordinary general meeting held on January 25, 2016.
- 9. The Board of Directors appointed Komal Tiwari as Company Secretary and Compliance Officer of the Company in their meeting dated January 25, 2016.
- 10. The shareholders approved and passed a special resolution dated February 2, 2016 authorizing the Initial Public Offer by way of Offer for Sale.



FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "*Risk Factor*" beginning on page 16 of this Draft Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Cost of materials and labour
- Brand image
- Supply and availability of raw material
- Competition and price cutting from existing and new entrants
- Development of power sector
- Credit availability
- Technological changes
- Rate of interest policies
- Economic and Demographic conditions
- Purchasing Power and Capital requirements

DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for the financial period ended September 30, 2015 and for the financial years ended March 31, 2015, March 31, 2014 and March 31, 2013.

OVERVIEW OF REVENUE & EXPENDITURE

Revenues

Income from operations:

Our principal component of income is from sales of manufactured transformers such as power transformers, furnace duty transformers, distribution transformers, generator transformers, etc. as well as transmission towers and dealing in cables and wires. We generally procure our raw materials locally. Our sales model is divided into 2 parts, i) making sales by subscribing and fulfilling of tenders invited by Electricity Companies operated by state governments and ii) by selling to corporates across diverse industries.

Other Income:

Our other income mainly includes interest and miscellaneous income.

Amount (Rs. In Lakhs)

Dantianlana	r	September 30,		
Particulars	2013	2014	2015	2015
Income				
Revenue from Operations	34,844.50	47,906.56	32,885.36	13,493.27
As a % of Total Revenue	99.08%	99.76%	99.33%	99.17%
Other Income	323.14	116.96	222.57	113.13
As a % of Total Revenue	0.92%	0.24%	0.67%	0.83%
Total Revenue	35,167.64	48,023.52	33,107.93	13,606.40



Expenditure

Our total expenditure primarily consists of direct expenditure i.e. cost of materials consumed, purchase of stock in trade, changes in inventories of finished goods, stock in trade and WIP, finance cost, employee benefit expenses, depreciation and other expenses.

Direct Expenditure

Our direct expenditure includes cost of materials consumed, purchase of stock in trade, changes in inventories of finished goods, stock in trade and WIP. The cost of materials comprise of costs of raw materials such as CRGO laminations, M.S. items, aluminium, copper, insulation material, transformer oil, costs of transmission tower materials and costs of traded materials such as cables and wires.

Employee benefits expense

Our employee benefits expense primarily comprise of salaries and wages expenses, labour contract charges, contribution to Provident funds, other employee benefits expense such as staff welfare expenses, bonus charges, gratuity expenses amongst others.

Finance Costs

Our finance costs include interest on term loan, cash credit facility, other loans and interest on delayed payment of taxes.

Depreciation

Depreciation includes depreciation on tangible assets like building, plant and machinery, vehicles, etc.

Other Expenses

Other expenses include administrative and selling expenses such as electricity charges, legal and professional charges, transportation costs, travelling expenses, commission expenses, bank charges, marketing expenses, etc.

Statement of profits and loss

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue:

Amount (Rs. In Lakhs)

Doutionland	For the Yo	ear Ended March		September
Particulars	2013	2014	2015	30, 2015
INCOME				
Revenue from Operations	34,844.50	47,906.56	32,885.36	13,493.27
As a % of Total Revenue	99.08%	99.76%	99.33%	99.17%
Other Income	323.14	116.96	222.57	113.13
As a % of Total Revenue	0.92%	0.24%	0.67%	0.83%
Total Revenue (A)	35,167.64	48,023.52	33,107.93	13,606.40
Growth %	31.68%	37.49%	(31.36)%	
EXPENDITURE				
Cost of Material Consumed	17,164.78	17,909.40	14,579.52	1,107.70
As a % of Total Revenue	48.81%	37.29%	44.04%	8.14%
Purchase of Stock in Trade	17,043.31	28,153.13	18,672.04	12,497.44
As a % of Total Revenue	48.46%	58.62%	56.40%	91.85%



David valous	For the Y	ear Ended Marcl	h 31,	September
Particulars	2013	2014	2015	30, 2015
Changes in Inventories of finished goods, WIP and stock in Trade	(724.28)	(1,539.66)	2,334.19	(1,130.88)
As a % of Total Revenue	(2.06)%	(3.21)%	7.05%	(8.31)%
Employee benefit Expenses	499.66	917.81	602.35	208.95
As a % of Total Revenue	1.42%	1.91%	1.82%	1.54%
Finance costs	542.52	1,077.45	1,190.86	731.24
As a % of Total Revenue	1.54%	2.24%	3.60%	5.37%
Depreciation expense	110.62	103.10	158.60	43.26
As a % of Total Revenue	0.31%	0.21%	0.48%	0.32%
Other Expenses	506.82	516.92	1,462.30	160.43
As a % of Total Revenue	1.44%	1.08%	4.42%	1.18%
Total Expenses (B)	35,143.43	47,138.15	38,999.86	13,618.14
As a % of Total Revenue	99.93%	98.16%	117.80%	100.09%
Profit/Loss before exceptional	24.21	885.37	(5,891.93)	(11.74)
extraordinary items and tax				
As a % of Total Revenue	0.07%	1.84%	(17.80)%	(0.09)%
Exceptional items	-	-	-	-
Profit/(Loss) before extraordinary items and tax	24.21	885.37	(5,891.93)	(11.74)
As a % of Total Revenue	0.07%	1.84%	(17.80)%	(0.09)%
Extraordinary items	-	-	-	-
Profit/(Loss) before	24.21	885.37	(5,891.93)	(11.74)
tax/Operational Loss				
PBT Margin	0.07%	1.84%	(17.80)%	(0.09)%
Tax expense:				
(i) Current tax	15.12	300.48	-	_
(ii) Deferred tax	(8.18)	(2.30)	(1,835.50)	(2.23)
Total Tax Expense	6.94	298.18	(1,835.50)	(2.23)
Profit/(Loss) for the year/ period	17.27	587.19	(4,056.43)	(9.51)
PAT Margin %	0.05%	1.22%	(12.25)%	(0.07)%

REVIEW OF SIX MONTHS ENDED SEPTEMBER 30, 2015

INCOME

Income from Operations

Our income from operations was Rs. 13,493.27 lakhs which is about 99.17% of our total revenue for the period of six months ended on September 30, 2015.

Other Income

Our other income was Rs. 113.13 lakhs which includes interest and miscellaneous income.



EXPENDITURE

Direct Expenditure

Our direct expenditure was Rs. 12,474.26 lakhs which is 91.68% of our total revenue for the period of six months ended September 30, 2015. The direct expenditure includes cost of materials consumed, Purchase of stock-in-trade and changes in inventories of finished goods, work in progress and stock in trade.

Employee Benefits Expenses

Our employee benefits expenses were Rs. 208.95 lakhs which was 1.54% of our total revenue for the period of six months ended September 30, 2015 and comprised of salary & wages, labour contract charges, bonus, provident fund expenses, etc.

Finance Cost

Our finance cost was Rs. 731.24 lakhs which is 5.37% of our total revenue for the period of six months ended September 30, 2015 and primarily includes interest on loans, credit facility, etc.

Depreciation

Depreciation expenses were Rs. 43.26 lakhs which is 0.32% of our total revenue for the period of six months ended September 30, 2015.

Other Expenses

Our other expenses were Rs. 160.43 lakhs which is 1.18% of our total revenue for the period of six months ended September 30, 2015. Other expenses include manufacturing, administrative and selling expenses.

Loss before tax

Our Company has suffered a loss of Rs. 11.74 lakhs for the period of six months ended September 30, 2015. The loss was due to increased price of raw materials forming part of the opening stock and work in progress.

Loss for the Period

We suffered a loss of Rs. 9.51 lakhs for the period of six months ended September 30, 2015 due to the above mentioned reasons.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2015 WITH FINANCIAL YEAR ENDED MARCH 31, 2014

INCOME

Income from Operations

(Rs. In lakhs)

Particulars	2013-2014	2014-2015	Variance in %
Operating Income	47,906.56	32,885.36	(31.36)%

The operating income of the Company for the year ending March 31, 2015 was Rs. 32,885.36 lakhs as compared to Rs. 47,906.56 lakhs for the year ending March 31, 2014, showing a decrease of 31.36%.

Financial Year 2014-15 has been one of the toughest years for our Group. Growth of transmission and distribution equipment industry majorly depends on the growth of the economy and investment in power sector. However from 2012-13 to 2014-15, growth has slowed down considerably resulting into cascading effect on all industries. As the power sector is positively correlated with the growth of economy, the decline in GDP growth has resulted in sluggish growth in Power Sector. This slowdown



in economy coupled with lack of new orders has resulted in a major decline of our revenue from operations i.e from Rs. 47,906.56 lakhs in FY 2014 to Rs. 32,885.36 lakhs in FY 2015.

Other income

Our other income increased by 90.30% from Rs. 116.96 lakhs in FY 2014 to Rs. 222.57 lakhs in FY 2015. This was due to rise in interest income.

EXPENDITURE

Direct Expenditure

(Rs. In lakhs)

Particulars	2013-2014	2014-2015	Variance in %
Cost of materials consumed	17,909.40	14,579.52	(18.59)%
Purchase of Stock in Trade	28,153.13	18,672.04	(33.68)%
Changes in Inventories of			
finished goods, WIP and			
stock in Trade	(1,539.66)	2,334.19	(251.60)%
Total	44,522.86	35,585.75	(20.07)%

Our direct expenditure has decreased from Rs. 44,522.86 lakhs in Financial Year 2013-2014 to Rs. 35,585.75 lakhs in Financial Year 2014-2015 showing a decrease of 20.07% over the previous year. The decrease in cost of material consumed was due to decrease in business operations partially offsetted by an increase in price of raw materials.

Administrative and Employee Costs

(Rs. In lakhs)

Particulars	2013-2014	2014-2015	Variance in %
Employee Benefit			
Expenses	917.81	602.35	(34.37)%
Other Expenses	516.92	1,462.30	182.89%

There is a decrease in employee benefit expenses from Rs. 917.81 lakhs in financial year 2013-14 to Rs. 602.35 lakhs in financial year 2014-15 which was due to decrease in number of employees leading to consequent decrease in salaries and wages. Further, due to decline in operations there was also reduction in labour costs.

Our other expenses increased by 182.29% from Rs. 516.92 lakhs in financial year 2013-14 to Rs. 1,462.30 lakhs in financial year 2014-15. The increase was mainly due to contractual penalties suffered by the Company to the tune of Rs. 873.31 lakhs on account of delay in performance of contracts.

Finance Costs

Our finance charges have increased from Rs. 1,077.45 lakhs in financial year 2013-14 to Rs. 1,190.86 lakhs in financial year 2014-15. This shows an increase of 10.53% compared to last financial year. The increase was mainly due to increase in interest costs on cash credit facilities.

Depreciation

Depreciation expenses for the Financial Year 2014-2015 have increased to Rs. 158.60 lakhs as compared to Rs. 103.10 lakhs for the Financial Year 2013-2014 showing an increase of 53.83%. The increase in depreciation was majorly due to change in rates of depreciation as per the Companies Act, 2013.



Profit/ (Loss) Before Tax

(Rs. In lakhs)

Particulars	2013-2014	2014-2015	Variance in %
Profit/ (Loss) Before Tax	885.37	(5,891.93)	(765.48)%

Our profit before tax has exceptionally declined from Rs. 885.37 lakhs in FY 2014 to a loss of Rs. (5.891.93) lakhs in FY 2015. Financial Year 2014-15 has been one of the toughest years for our Group. Growth of transmission and distribution equipment industry majorly depends on the growth of the economy and investment in power sector. However from 2012-13 to 2014-15, growth has slowed down considerably resulting into cascading effect on all industries. As the power sector is positively correlated with the growth of economy, the decline in GDP growth has resulted in sluggish growth in Power Sector. This slowdown in economy coupled with lack of new orders has resulted in a major decline of our revenue from operations i.e from Rs. 47,906.56 lakhs in FY 2014 to Rs. 32,885.36 lakhs in FY 2015. Another reason contributing to such loss is increase in price of our basic raw materials i.e. CRGO and aluminium. In many instances, the Company was unable to pass on the cost of the higher inputs to the customers which had eroded margins of the Company as cost of production had significantly increased with no corresponding increase in price of existing orders due to Company entering into Fixed Price contracts and due to restrictive price escalation clauses. The diminishing operations and increasing costs has aroused working capital issues. Due to lack of adequate working capital facilities, the Company had defaulted in several contracts during the year 14-15 as it was unable to deliver goods as per specified schedule in contract. This subjected Company to contractual penalties to the tune of Rs. 873.31 lakhs." Further the raw materials procured at increased prices also affected our profitability during the first half of the year resulting into losses before tax of Rs. (11.74) lakhs for the period ended September 30, 2015. However in the light of improvements of power sector, government initiatives, our current order book we foresee a profitable year and aim to recover the losses. Provision

for Tax and Net Profit

(Rs. In lakhs)

Particulars	2013-2014	2014-2015	Variance in %
Taxation Expenses	298.18	(1,835.50)	(715.57)%
Profit after Tax	587.19	(4,056.43)	(790.82)%

Our profit after tax decreased substantially by 790.82% from Rs. 587.19 lakhs in financial year 2013-14 to a loss of Rs. 4,056.43 lakhs in financial year 2014-15 due to the above cited reasons.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2014 WITH FINANCIAL YEAR ENDED MARCH 31, 2013

INCOME

Revenue from Operations

(Rs. in lakhs)

Particulars	2012-2013	2013-2014	Variance in %
Operating Income	34,844.50	47,906.56	37.49%

The operating income of the Company for the financial year 2013-2014 was Rs. 47,906.56 lakhs as compared to Rs. 34,844.50 lakhs for the financial year 2012-2013 showing an increase of 37.49%. The increase was due to increase in business operations.

Other Income

Other Income of the Company for the financial year 2012-2013 was Rs. 323.14 lakhs which decreased by 63.81% to Rs. 116.96 lakhs during the financial year 2013-14. The decline was due to reduction in interest income.



EXPENDITURE

Direct Expenditure

(Rs. in lakhs)

Particulars	2012-2013	2013-2014	Variance in %
Cost of materials consumed	17,164.78	17,909.40	4.34%
Purchase of Stock in Trade	17,043.31	28,153.13	65.19%
Changes in Inventories of finished goods, WIP and stock in Trade	(724.28)	(1,539.66)	112.58%
Total	33,483.81	44,522.87	32.97%

The direct expenditure increased from Rs. 33,483.81 lakhs in financial year 2012-13 to Rs. 44,522.87 lakhs in financial year 2013-14 showing an increase of 32.97% over the previous year. This increase was in line with the increase in our operations.

Administrative and Employee Costs

(Rs. in lakhs)

Particulars	2012-2013	2013-2014	Variance in %
Employee Benefit Expenses	499.66	917.81	83.69%
Other expenses	506.82	516.92	1.99%

Employee Benefit Expenses in financial year 2013-2014 have increased by 83.69% to Rs. 917.81 lakhs as against Rs. 499.66 lakhs in financial year 2012-2013. The increase was due to increase in salaries and wages and higher labour contract charges due to increased operations.

Other expenses increased from Rs. 506.82 lakhs in financial year 2012-13 to Rs. 516.92 lakhs in financial year 2013-14 showing an increase of 1.99% over the previous financial year. Increase in other expenses was due to higher administrative and selling expenses.

Finance Cost

The finance cost for the Financial Year 2013-2014 increased to Rs. 1,077.45 lakhs from Rs. 542.52 lakhs during the financial year 2012-13. The increase was primarily due to increase in interest costs.

Depreciation

Depreciation for the year financial year 2013-14 has decreased to Rs. 103.10 lakhs as compared to Rs. 110.62 lakhs for the period 2012-13 showing a decrease of 6.80%.

Profit Before Tax

(Rs. in lakhs)

Particulars	2012-2013 2013-2014		Variance in %
Profit Before Tax	24.21	885.37	3,557.08%

The Profit before Tax has increased to Rs. 885.39 lakhs in Financial Year 2013-14 from Rs. 24.21 lakhs in Financial Year 2012-2013 showing an increase of 3,557.08%. This increase was due to increase in our operations and decrease in finance costs.

Provision for Tax and Net Profit

(Rs. in lakhs)

Particulars	2012-2013	2013-2014	Variance in %
Taxation Expenses	6.94	298.18	4,196.54%
Profit after Tax	17.27	587.19	3,300.06%

Profit after tax increased to Rs. 587.19 lakhs in the financial year 2013-14 as compared to Rs. 17.27 lakhs in the financial year 2012-13.



OTHER MATTERS

• Unusual or infrequent events or transactions

Except as described in this Draft Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

• Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as described in the section titled "Risk Factors" beginning on page 16 of this Draft Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

• Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as disclosed in the section titled "Risk Factors" beginning on page 16 of this Draft Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

• Future relationship between Costs and Income

Our Company's future costs and revenues will be determined by demand/supply situation, government policies, prices of raw material and development in power sector.

• The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices

Increase in revenue is by and large linked to increases in volume of business activity by the Company.

• Total turnover of each major industry segment in which the issuer company operates.

The Company is operating in electrical equipments Industry. Relevant industry data, as available, has been included in the chapter titled "Our Industry" beginning on page 100 of this Draft Prospectus.

Status of any publicly announced new products/projects or business segments

Our Company has not announced any new projects or business segments, other than disclosed in the Draft Prospectus.

• The extent to which the business is seasonal

Our Company business is not seasonal in nature.

• Any significant dependence on a single or few suppliers or customers

The % of Contribution of our Company's customer and supplier vis a vis the total revenue from operations and raw materials/ finished goods cost respectively as March 31, 2015 is as follows:

Particulars	Customers	Suppliers
Top 5 (%)	88.29%	89.73%
Top 10 (%)	94.53%	93.64%

• Competitive Conditions

We face competition from existing and potential organised and unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled "Our Business" on page 119 of this Draft Prospectus.



FINANCIAL INDEBTEDNESS

Our Company utilizes various credit facilities from bank for conducting its business.

Set forth is a brief of out company's secured borrowings from banks with a brief description of certain significant terms of such financing arrangements.

Secured Borrowings

1. Loan of Rs. 74.60 Crores sanctioned by Indian Overseas Bank being the lead bank under Consortium Finance with UCO Bank

Nature of facility	Amount (in Crores)	Rate of Interest & Repayment	Primary Security
Cash Credit	25.00	BR + 0.75% p.a & repayment on demand	Pari passu 1 st charge on the entire current assets of Company (both present & future
Working Capital Term Loan	16.00	BR + 0.75% p.a. & Repayable in 26 structured quarterly installments commencing from 31.05.2016 and last installment on 31.08.2022	Pari passu 1st charge on the entire fixed assets & movable assets excluding Current assets (both present & future) including specifically plot
WCDL for long term working Capital	0.60	BR + 0.75% p.a. & repayable taken over from SICOM Limited	No.101/B/7, road No 2, CIDC Estate Rd No 2,Village Ranoli Vadodara
Letter of Credit (Inland/Foreign) DP/DA 90 days	20.00	50% of applicable commission & repayable on demand	1)Documents to title to goods counter 2) indemnity of subject 3)Extension of 1st pari passu charge on entire current assets
Letter of Guarantee (Inland/Foreign) (performance/ financial)	13.00	50% of applicable Commission & repayable on demand	1))Documents to title to goods counter 2) indemnity of subjects 3)Extension of 1 st pari passu charge on entire current assets
Total Outstanding as an	74.60		
Outstanding as on September 30, 2015	39.60		

Key restrictive covenants as per Term Loan Agreement

The Borrower Undertakes:-

- 1. The Company Proposed to repay unsecured loan of INR 31 Crores by liquidating assets & investments and mapped investment of INR 28.37 Crores.
- 2. Monies brought in by principal share holders/directors/depositors will not be allowed to be withdrawn without the Bank's permission.
- 3. The Company shall not utilize the bank facilities for any other purpose other than for which it is sanctioned in particular for:
 - i. Investment in real estate and stock market investments.



- ii. Invest by way of share capital in, or lend or advance funds to, or place deposits with any other concern.
- iii. Repayment of dues of promoters/associate concerns inter corporate deposits
- iv. Investment in/extending loans to subsidiary or associate company or making any inter corporate deposits.
- v. Any speculative purposes.

Collateral Security Details for all fund based facilities:

- 1. Residual Value of prime security of each limit shall be collateral security for other.
- 2. Property located at Village Samiyala, Tal & Dist. Vadodara R S No. 475,476 (Part) Block No.284/B,284/A (Part) Admeasuring 38736 sq.ft owned by Apex Electricals Ltd valued at Rs.15 crore (Approx) (our share Rs.8.10 Crores @ 54%)

Note

- 1. Out of total land of 53026 Sq. feet, lands available as security being 38736 Sq. feet as the remaining portion has been reported sold.
- 2. Owner of the property is Apex Electricals Limited.

Guarantors & their Net worth

Name	Ag	Address
	e	
Amit Bhatnagar	45	6,Green Park,Nizampura,Vadodara,Gujarat-
		390002
Sumit Bhatnagar	42	6,Green Park,Nizampura,Vadodara,Gujarat-
		390002
Diamond Power Infrastructure Limited	NA	Phase – II, Village-Vadavala, Tal : Savli

2. Loan of Rs. 40 Crores sanctioned by UCO Bank under Consortium Finance with Indian Overseas Bank as the lead bank

Nature of facility	Amount (in Crores)	Rate of Interest and Repayment	Primary Security
Cash Credit with Sub	20.00	BR + 2.00% p.a. at present	Pari-passu first charge
Limit of		12.20% p.a. with monthly	on stock book debts and
Export Packing Credit		Rest and repayable on demand	other current assets of
Working Capital Term	13.55	BR + 2.50% p.a. at present	the Company, present
loan		12.70% p.a. with monthly Rest	and future with Indian
		and repayable in 26 structured	Overseas Bank.
		quarterly	
		installment commencing from	
		31.05.2016 and last installment	
		on	
		31.08.2022	
Inland and Foreign	4.50	50% of applicable	a) Pari passu charge
Bank		Commission on demand	over entire current
Guarantee			assets of the Company
(performance/financial)			with participating Bank
			b) Counter Guarantee
			of the Company
			c) 10% cash margin in
			the form of FDR for



Nature of facility	Amount (in Crores)	Rate of Interest and Repayment	Primary Security
			performance 15% on financial to our bank only
Letter of Credit (Inland and Foreign) Sight or Usance	1.95	50% of applicable Commission on demand	a) Goods procured under LC b) Pari passu charge over entire current assets of the Company with participating bank c) 10% cash margin in the form of FDR for DP and 15% for DA terms d) letter of indemnity
Total	40.00		1 ′
Outstanding as on September 30, 2015	34.33		

Guarantors & their Net worth

Personal /Corporate Guarantee	Name with Pan No.
Personal Guarantee	Amit Bhatnagar (PAN No. ACBPB2880L) Sumit Bhatnagar (PAN No. ACBPB2881M)
Corporate Guarantee	Diamond Power Infrastructure Ltd (PAN No. AAACD8043K) Apex Electricals Limited

Key restrictive covenants as per Term Loan Agreement

The Borrower Undertakes:-

The Company shall not utilize the bank facilities for any other purpose other than for which it is sanctioned in particular for:-

- 1. Effect any change in the company's capital structure
- 2. Formulate any scheme of amalgamation or re-construction or restructuring of any kind.
- 3. Invest by way of share capital in, or lend or advance funds to, or proposed deposits with any other concern
- 4. Undertake guarantee obligations on behalf of any other company, firm or person
- 5. Declare dividends for any except out of profits relating to that year after making all due necessary provisions ad provided further that ni default had occurred in any repayment obligations.
- 6. Monies brought in by principal share holder/directors/depositors will not be allowed to be withdrawn without Bank's/consortium' permission.
- 7. The company will route its entire dealings with the existing lenders as well as with the lenders participating in the project including our bank & will not make any financial arrangement for the proposed project with any other Bank without our Bank/consortium's prior consent.



3. Loan of from SICOM Limited

Nature of facility	Amount (in Crores)	Rate of Interest and Repayment	Primary Security
Medium Term Loan	1.00	14.50% + 0.75%	1) 1 st floor, Mayfair Atrium, Revenue Survey no. 663/3, District Vadodara
Medium Term Loan	10.00	14.50% + 0.75%	2) Non Agricultural land Revenue Survey 144/K and 146/K at village Haripura,
Medium Term Loan	20.00	14.50% + 0.75%	Savli,
Total	31.00		
Outstanding as on September 30, 2015	31.00		

Key restrictive covenants as per Term Loan Agreement

- 1. Prior approval for any changes in Memorandum and Articles of Association
- 2. Any scheme of expansion/diversification or new project involving long term financial commitments shall be finalised by the Company only after prior approval of SICOM Limited
- 3. Such shareholders as may be decided by the SICOM Limited shall not transfer, dispose, change or in any way encumber their shareholding in the Company's share capital.

4. Unsecured Borrowing as on September 30, 2015

Sr. No	Name of Lender	Amount (in Crores)
1.	Diamond Power Infrastructure Limited	7.29
Total		7.29



SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section there are no outstanding: (i) criminal proceedings; (ii) actions by statutory/regulatory authorities; (iii) indirect and direct tax cases; and (iv) other material pending litigations, involving our Company, Directors, Promoters and Group Companies.

Our Board of Directors, in its meeting held on January 25, 2016 determined that any pending litigation where the amounts exceeds Rs. 5 lakhs individually, are considered as material pending litigation and accordingly are disclosed in this Draft Prospectus. Further, dues owed by our Company to small scale undertakings and other creditors, which exceeds Rs 5 lakh as at September 30, 2015 have been considered as material dues for the purposes of disclosure in this Draft Prospectus.

Unless stated to the contrary, the information provided below is as of the date of this Draft Prospectus.

I. LITIGATIONS INVOLVING THE COMPANY:

- 1. Criminal Proceedings NIL
- 2. All actions by statutory/regulatory authorities NIL
- 3. Pending Litigation and Notices against the Company
 - i) Notice issued under section 143 (2) and 142(1) of the Income Tax Act, 1961 for the assessment year 2013-2014.

The Company received notice under section 143 (2) of the Income Tax Act, 1961 dated 3rd September, 2014 from the Assistant Commissioner of Income Tax, Central Circle-1, Baroda and notice under section 142 (1) of the Income Tax Act, 1961 dated 17th June, 2015 from the Deputy Commissioner of Income Tax, Central Circle-1, Baroda for assessment year 2013-2014. The notices sought information/clarification on the return of income filed by the Company on 30 November, 2013 and therefore directed the representatives of the Company to be present at the respective offices along with documents, accounts or any other evidence in support of the return filed by the Company. The assessment proceedings are ongoing.

ii) Notice issued under section 143 (2) of the Income Tax Act, 1961 for the assessment year 2014-2015.

The Company received the notice under section 143 (2) of the Income Tax Act, 1961 dated 3rd September, 2015 for assessment year 2014-2015 from the Deputy Commissioner of Income Tax, Central Circle-1, Baroda. The notice sought information/clarification on the return of income filed by the Company on 29 November, 2014 and therefore directed the representatives of the Company to be present at the office of Deputy Commissioner of Income Tax, Central Circle, Baroda along with documents, accounts or any other evidence in support of the return filed by the Company. The assessment proceedings are ongoing.



LITIGATIONS INVOLVING THE PROMOTERS OF THE COMPANY

1. Criminal Proceedings

By the Promoters of the Company

Diamond Power Infrastructure Limited and Amit Suresh Bhatnagar have filed a Special Criminal Application No. 3008/2015 against before Hon'ble High Court of Gujarat under Article 226 of the Constitution of India praying to declare the arrest of Mr. Amit Bhatnagar as illegal, compensation for mental agony and harassment, to restrain the respondents from recovering the CENVAT Credit from petitioner. The matter is currently pending.

2. All actions by statutory/regulatory authorities

By the Promoters of the Company

Diamond Power Infrastructure Limited filed a Special Civil Application No. 12237 of 2012 (*Diamond Power Infrastructure Limited v. Employee Provident fund Organization*) before the Gujarat High Court, Ahmedabad under Article 226 of the Constitution of India to declare action of respondents in respect of recovery of Rs. 99,93,379/- towards damages for the period from January 2000 to July 2003 against the Recovery Officer, Employee Provident Fund Organisation (EPFO) and others as illegal and to recover Rs.96,93,379.00/- recovered by EPFO department wrongfully from debtors of Diamond Power Infrastructure Limited along with 18% interest till the date of realization. The matter is currently pending.

3. Pending Litigation and Notices against/by the Promoters

Outstanding Litigation against the Promoters

- i) Sardar Sarovar Narmada Nigam Ltd. filed Special Civil Suit No. 497 of 2004 (*Sardar Sarovar Narmada Nigam Ltd. Vs. M/s Diamond Cables Limited*) against the Diamond cables Limited before the Court of Civil Judge (S.D), Vadodara for recovery of Rs. 41,00,000/- on the grounds that the Diamond cables Limited has not submitted the bid as per technical and commercial conditions of the tender and failed to comply with conditions of the tender and also failed to execute the contract due to which plaintiff had to re-invite the tender due to which it incurred additional cost. Plaintiff has filed suit to recover the said amount. Diamond cables Limited has filed written statement. The matter is currently pending.
- ii) Sardar Sarovar Narmada Nigam Ltd. filed Special Civil Suit No. 78 of 2006 against Diamond Cables Ltd. before the Court of Civil Judge (S.D), Vadodara for recovery of Rs. 22,01,659/- on the grounds that Diamond Cables Limited has not submitted the bid as per technical and commercial conditions of the tender and failed to comply with conditions of the tender due to which plaintiff had to re-invite the tender due to which it incurred additional cost because as result the orders were placed with another supplier. Plaintiff has filed suit to recover the said amount. Diamond Cables Limited has filed written statement. The matter is currently pending.
- iii) Mr. Bimal Kumar Shah filed a Consumer Complaint No. 1734 of 2012 (*Bimal Kumar shah v. Diamond Power Infrastructure Limited and others*) against Diamond Power Infrastructure Limited for not transferring 100 shares in favour of Mr. Bimal Kumar Shah. Petitioner has prayed in the said complaint for transfer of the said shares. Complainant has also sought Rs. 1,00,000/- towards mental harassment and Rs. 15,000/- and Rs. 21,000/-



towards legal costs and cost of complaint. Diamond Power Infrastructure Limited has filed written statement in the same. The matter is currently pending.

Outstanding Litigation by the Promoters

- i) Diamond Cables Limited filed Special Civil Suit No. 526 of 1999 dated June 14, 1999 before the Court of Civil Judge (S.D), Baroda against Mr. Raj Kumar S. Emmanuel for recovery of damages amounting to Rs. 54,560.00/-due to negligence in his duties. The suit number has been changed to Money Suit No. 326 of 2003 and that the suit is pending for recording of evidence, in the Small Cause Court.
- ii) Diamond Power Infrastructure Limited filed a Company Petition No. 142 of 2014 against ABG Cement Ltd. before the Bombay High Court under Section 433, 434 and 439 of the Companies Act, 1956 and in the matter of winding up of M/s. ABG Cement Limited w.r.t. non payment of dues amounting to Rs. 87,45,028.79/- The Respondent agreed and made an undertaking to make the payment of Rs. 76,41,784.00/- with interest @ 12% in six monthly instalments and the final instalment to be paid to the Company on or before May 10, 2015. The Company Petition was disposed of by the High Court vide its order dated November 7, 2014 due to non compliance of its directions. Due to the non-compliance of this order by the Respondent, Diamond Power Infrastructure Limited filed a Company Application No. 134 of 2015 to restore the Company Petition No. 142 of 2014 which was allowed vide order dated February 17, 2015. Further the High Court admitted the Company Petition vide its order dated March 26, 2015 and the matter was posted for final disposal on April 1, 2015. However, meanwhile, the Respondent preferred an appeal against the order of the High Court dated March 26, 2015 vide Appeal No. 352 of 2015 which was admitted by the Bombay High Court vide order dated April 16, 2015 and an ad interim stay was granted against the operation of the impugned order March 26, 2015 till July 5, 2015.
- iii) Diamond Power Infrastructure Limited (Formerly known as Diamond Cables Limited) has initiated proceedings against Quality Construction Pvt. Ltd. under Section 138 of the Negotiable Instruments Act, 1881 and filed Criminal Complaint No. 2378 of 2009 and 8092 of 2010 for dishonour of cheques amounting to Rs. 15,00,000/- and Rs. 12,75,000/- respectively. The Complaints have been disposed off on December 6, 2014 to be filed before the Court of proper jurisdiction in the light of the Negotiable Instruments (Amendment) Ordinance No. 7 of 2015. The matters are currently in the process of transfer to appropriate jurisdiction pursuant to Supreme Court Order in the case of Dashrath Rupsing Vs State of Mahararatra.
- iv) Diamond Power Infrastructure Limited has initiated proceedings against Schaltech Automation Pvt. Ltd. under Section 138 of the Negotiable Instruments Act, 1881 and filed Criminal Complaint No.28359 of 2013 before the Chief Judicial Magistrate, Baroda for dishonour of cheque of Rs. 78,89,780/-. The matter is currently pending.
- v) Diamond Power Infrastructure Limited has initiated proceedings against Jyoti Construction Pvt. Ltd. under Section 138 of the Negotiable Instruments Act, 1881 and filed Criminal Complaint Nos. 42378 of 2009 and 42379 of 2009 against for Rs. 5,41,983/- and Rs. 15,00,000/- respectively before the Court of Judicial Magistrate (F.C.), Vadodara. The matter is currently pending.
- vi) Diamond Power Infrastructure Limited has initiated proceedings against Jitco Overseas Projects Ltd. under Section 138 of the Negotiable Instruments Act, 1881 Criminal Complaint Nos. 11718 of 2009, 12379 of 2009 and 11719 of 2009 for Rs. 15,84,022/-, Rs. 3,25,385/- and Rs. 1583978/- respectively before the Court of Judicial Magistrate (F.C.),



Vadodara. The matters are currently in the process of transfer to appropriate jurisdiction pursuant to Supreme Court Decision in the case of Dashrath Rupsing Vs State of Mahararatra.

vii) Diamond Power Infrastructure Limited through its Senior Manager Mr. Manish Pathak has filed a First Information Report FIR at Gorwa Police Station of Vadodara City on January 31, 2013 against Mr. Prahar Trivedi, Ex-Manager of company and others under Section 406, 408, 420, 467, 468, 120B and 34 for misappropriation of money.

Pending Notices against the Promoter

i) Office of Commissioner, Central Excise & Customs, Halol –II has issued a show cause notice dated September 27, 2013 to Diamond Power Infrastructure Limited and Managing Director, Mr. Amit Bhatnagar as to why duty amounting to Rs. 54,75,679.00/- should not be levied and recovered under section 11A(4)(d) of the Central Excise Act, 1944.

ii) Notice issued under section 143 (3) of the Income Tax Act, 1961 for the assessment year 2013-14.

The Promoter received a notice under section 143 (3) of the Income Tax Act, 1961 dated October 10, 2015 for assessment year 2013-14 from the Deputy Commissioner of Income Tax, Central Circle-1, Baroda. The notice sought information/clarification on the return of income filed by the Company for assessment year 2013-14 and therefore directed the representatives of the Company to be present on October 26, 2015 at the office of Deputy Commissioner of Income Tax, Central Circle, Baroda along with documents, accounts or any other evidence in support of the return filed by the Company as specified in the notice.

II. LITIGATIONS INVOLVING THE DIRECTORS:

1. Criminal Proceedings

Against the Directors of the Company

Intelligence Officer of DGCEI, Regional Unit, Vadodara filed a Misc. Criminal Application No. 1271 of 2015 against Mr. Amit Bhatnagar who is Director of Diamond Power Infrastructure Limited before the Hon'ble Court of Chief Judicial Magistrate, Vadodara under section 437(5) of the Code of Criminal Procedure for fraudulently availing CENVAT credit approximately in excess of Rs. 40,00,00,000/- (Rupees Forty Crores Only). In connection with the said investigations, criminal proceedings under Section 9(1)(bbbb) read with Section 9(A)(1A) of the Central Excise Act, 1944 has been initiated against Mr. Amit Bhatnagar as he was instrumental in the day to day operations of Director of Diamond Power Infrastructure Limited. The proceedings are presently pending.

2. All actions by statutory/regulatory authorities

By the Directors of the Company

Mr. Amit Bhatnagar, Managing Director of the Company filed a Special Civil Application No. 11484 of 2012 before the Hon'ble High Court of Gujarat, Ahmedabad under Article 226 of the Constitution of India seeking a direction to set aside the summons dated July 13, 2012 served upon him on July 24, 2012 issued by Recovery Officer, Employees Provident Fund Organization for Rs. 96,93,379/- and interest of Rs. 59,31,534/- regarding default in payment of statutory dues for the period of January 2000 to July 2003 w.r.t. Employees Provident Fund under the provisions of Employees Provident Fund and Miscellaneous Provisions Act, 1952 in



respect of Apex Electricals Limited where Diamond Power Infrastructure Limited was only a proposed strategic investor. The matter is currently pending.

Another civil application no. 9858 of 2012 was filed before the High Court in the special civil application no. 11484 of 2012 by Mr. Amit Bhatnagar praying for a stay on the Respondents from approaching the debtors of our Company for recovery of the aforementioned alleged dues. The High Court ordered the Respondents to deposit the monies collected from the debtors of our Company to the court until final decision in the matter. The matter is pending in the High Court.

3. Pending Litigations and Notices against the Directors

i) Notice issued under section 142 (1) of the Income Tax Act, 1961 for the assessment year 2013-2014.

Mr. Amit Suresh Bhatnagar received the notice under section 142 (1) of the Income Tax Act, 1961 dated 17th June, 2015 for assessment year 2013-2014 from the Deputy Commissioner of Income Tax, Central Circle-1, Baroda. The notice sought information/clarification w.r.t. pending assessment for the assessment Year 2013-2014 and therefore directed the assesse to furnish required documents, accounts or necessary details at the office of Deputy Commissioner of Income Tax, Central Circle, Baroda. The assessment proceedings are ongoing.

ii) Notice issued under section 143 (3) of the Income Tax Act, 1961 for the assessment year 2013-2014.

Mr. Sumit Suresh Bhatnagar received a notice under section 143 (3) of the Income Tax Act, 1961 dated October 06, 2015 for assessment year 2013-2014 from the Deputy Commissioner of Income Tax, Central Circle-1, Baroda. The notice sought information/clarification w.r.t. pending assessment for the assessment Year 2013-2014 and therefore directed the assesse to furnish required documents, accounts or necessary details at the office of Deputy Commissioner of Income Tax, Central Circle, Baroda. The assessment proceedings are ongoing.

TAX PROCEEDINGS

A summary of tax proceedings involving our Company, our Promoters and our Directors is set out below:

Nature of Case	No. of Cases	Amount involved (Rs. in Lakhs)
Company		
Direct Tax	1	4.28
Indirect Tax	-	
Promoters		
Direct Tax	1	16.47
Indirect Tax	-	-
Directors		
Direct Tax	-	-
Indirect Tax	2	221.94



1. Direct Taxes

Against the Company

i) Appeal before the Income Tax Appellate Tribunal ("ITAT") against the order of the Commissioner of Income Tax Appeal ("CIT Appeal") for the assessment year 2009-10.

The company has filed an appeal dated May 11, 2012 before Commissioner of Income Tax Appeal, Central Circle -1 Baroda w.r.t disallowance of Rs.9,31,292.00/- in respect of depreciation, insurance and interest on car by the Assessing Officer w.r.t. return of income filed by the Company for the Assessment Year 2009-10. The said disallowance is cancelled by the CIT Appeals vide its order dated May 15, 2012. Assistant Commissioner of Income Tax, Central Circle -1 Baroda has filed an appeal before the Income Tax Appellate Tribunal against the said order of CIT, Appeals. Company has received notice of the appeal and matter is currently pending.

By the Directors

i) Appeal before the Commissioner of Income Tax Appeal ("CIT Appeal") against the order of the Assistant Commissioner of Income Tax ("ACIT") for the assessment year 2012-13.

Mr. Sumit Bhatnagar received a notice of demand dated March 24, 2014 under section 156 of the Income Tax Act, 1961 from Assistant Commissioner of Income Tax, Central Circle -1 Baroda for Rs.16,47,280.00/- w.r.t. return of income filed on March 31, 2013 by the assessee for the Assessment Year 2012-13. Mr. Sumit Bhatnagar then filed an appeal before Commissioner of Income Tax Appeal Central Circle -1 Baroda regarding the said demand raised by the Assistant Commissioner of Income Tax.

2. Indirect Taxes

By the Promoters

- i) Diamond Power Infrastructure Limited has filed a second appeal No 318 of 2012 before Gujarat Value Added Tax Tribunal at Ahmedabad to set aside the order issued by Deputy Commissioner Of Commercial Tax Appeals wherein they have upheld the demand amounting to Rs. 68,68,438 raised by assessing authority. DPIL has made a payment of Rs. 25,00,000/- against the above demand. The order of commissioner appeals has been stayed till final disposal of the appeal.
- ii) Department of Gujarat Value Added Tax and Department of Central Sales Tax has issued assessment orders on DPIL for payment of VAT of Rs. 25,20,261 and CST of Rs. 1,28,05,599 respectively for the period of assessment 01/04/2009 to 31/03/2010. An amount of Rs. 45,00,000 has been paid by DPIL. DPIL has filed an appeal in this regards.



III. Outstanding dues to small scale undertakings or any other creditors

As on September 30, 2015 the Company does not owe a sum exceeding Rs. 5 lakhs to any undertaking, except the following:

Creditors	Amount (Rs. in lacs)
Amba Shipping & Logistics Pvt. Ltd.	7.60
Ambica Electric	5.31
Amod Stampings Pvt Ltd	37.26
Chintamani Lamination	26.16
Desai Agencies	5.50
Dhara Conductors	70.89
Diamond Infosystems Ltd	14.90
Diamond Projects Ltd	174.00
Elec Steel Processing Industries	49.41
Geeta Enterprise	5.21
Gururaj Radiators Pvt. Ltd.	24.56
Indian Freight Carriers	5.24
Lamtuf Plastics Limited	5.43
Magnetics	6.30
Nakoda Steel	26.78
Neptune Stampings	5.79
Newman valves Industries	5.75
On Load Gears	11.28
Pavan Industries	37.85
R.A.Amin & Co.	6.86
Radiant Ceramic	5.66
Raj Petro Specialities Pvt Ltd	45.75
Rajendra K. Golani	7.00
S.R.P. Engineering works	5.62
Trans Ins Agency	15.94
Transceltic Cores Pvt. Ltd.	12.59
TRC POWER	6.64
Varun Electricals Steel Company	37.87
Vikarsh Stampings India Pvt Ltd	36.11
Vilas Transcore Ltd	54.80

The details pertaining to net outstanding dues towards our Material Creditors shall be made available under investors' section on the website of our Company i.e www.dicabstransformers.com. It is clarified that such details available on our website do not form a part of this Draft Prospectus. Anyone placing reliance on any other source of information, including our Company's website, www.dicabstransformers.com, would be doing so at their own risk.

Except as disclosed above, there are no pending cases with such Material Creditors.



GOVERNMENT AND OTHER STAUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions, registrations and approvals from the Government, various governmental agencies and other statutory and/or regulatory authorities required for carrying out our present business activities and except as mentioned below, no further material approvals are required for carrying on our present business activities. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Draft Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. For further details in connection with the applicable regulatory and legal framework within which we operate, please refer to the section titled "Key Industry Regulations" on page 133 of this Draft Prospectus.

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals obtained by our Company include the following:

Approvals in relation to the Offer

The Board of Directors have pursuant to Section 26 and 28 and other applicable provisions of the Companies Act 2013, by a resolution passed at its meeting held on December 19, 2015 authorized the Offer.

The in-principle approval from Bombay Stock Exchange for the listing of our Equity Shares has been received pursuant to letter bearing reference no. [●] dated [●].

Incorporation details of our Company

- 1. Certificate of Incorporation dated December 28, 2007 issued by Registrar of Companies, Gujarat, Dadra and Nagar Havelli in the name of Diamond Power Transformers Limited.
- 2. The Corporate Identity Number of the Company is U31102GJ2007PLC052486.
- 3. The Company has entered into an agreement dated [●] with the Central Depository Services (India) Limited ('CDSL') and the Registrar and Transfer Agent, who in this case is Karvy Computershare Private Limited, for the dematerialization of its shares.
- 4. Similarly, the Company has also entered into an agreement dated [●] with the National Securities Depository Limited ('NSDL') and the Registrar and Transfer Agent, who in this case is Karvy Computershare Private Limited for the dematerialization of its shares.
- 5. The ISIN number of the Company is [•].



APPROVALS/LICENSES/PERMISSIONS PROCURED TO CONDUCT THE BUSINESS

Details of Registration/ Certificate	Registration Number	Issuing Authority	Issuance Date	Expiry
Certificate for commencement of business	N.A.	Registrar of Companies of Gujarat, Dadra & Nagar Haveli	January 29, 2008	Perpetual
Permanent Account Number (PAN)	AACCD8506E	Department of Income Tax	December 28, 2007	Perpetual
Tax Deduction Account Number(TAN)	BRDD01888F	Department of Income Tax	May 22, 2008	Perpetual
Certificate of Enrollment under Sub-Section (2) of Section 5 of the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976	PEP19110600270	Department of Commercial Tax, State of Gujarat	[•]	[•]
Certificate of Registration under Sub-Section (1) of Section 5 of the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976	PR1919000150	Department of Commercial Tax, State of Gujarat	December 06, 2012	Perpetual
Import Export Code ("IEC")	3407005091	Office of Joint Director General of Foreign Trade	October- 31, 2013	
Certificate of Registration under Rule 5 of Central Sales Tax (Registration and Turnover) Rules, 1957 and under Section 7(1) and 7(2) of Central Sales Tax Act, 1976	24691900106	Commercial Tax Department, State of Gujarat	[•]	The certificate shall remain valid until cancelled.
Certificate of registration dated effective from 1st	24191900106.	Commercial Tax Department, State of Gujarat	September 26, 2012	The certificate shall remain valid until cancelled



July, 2002 issued by,				
Gujarat Commercial Tax Department under the Gujarat Value Added Tax Act, 2003				
Certificate of Registration for Service Tax Code under the Finance Act, 1994 read with Service Tax Rules, 1994	AACCD8505ESD 005	Ministry of Finance and Department of Revenue, Central Board of Excise and Customs	August 30, 2013	The certificate shall remain valid until cancelled
Certificate of Registration under Rule 9 of the Central Excise Rules, 2002 for the premises located at Apex Electricals Compound, Padra Samiyala Road, Vadodara in connection with manufacture of excisable goods	AACCD8505EE M002	Ministry of Finance and Department of Revenue, Central Board of Excise and Customs	April 3, 2012	The certificate shall remain valid till the Registrant carries on the activity for which it has been issued or surrenders it or till revoked or suspended
Certificate of Registration under Rule 9 of the Central Excise Rules, 2002 for the premises located at Ranoli GIDC Estate in connection with manufacture of excisable goods	AACCD8505EX M001	Central Board of Excise and Customs Ministry of Finance and Department of Revenue	[•]	The certificate shall remain valid till the Registrant carries on the activity for which it has been issued or surrenders it or till revoked or suspended
Labour Law Related Approvals				
License to run Factory under Rule 5 of Gujarat Factories Rules, 1963	License Number	Directorate, Industrial Safety and Health Gujarat State	December 03, 2014	December 31, 2017



Registration under Employee's Provident Fund and Miscellaneous Act, 1952	Code Number GJ/BD/67011	Employees Provident Fund Organization, Ministry of Labour and Employment	July 4, 2011	Perpetual
	Oth	er Certification		
Certificate of Registration for International Standards Certifications 1. D.T. Plant , Ranoli. 2. D.T. Plant, Samiyala	ISO 9001:2008 Compliant	International Standards Certifications Pty Ltd, Sydney, Australia	July 25, 2014 (Recertificati on date)	May 02, 2017
Consolidated Consent under section 25 of the Water Act, 1974, Section 21 of the Air Act, 1981 at the premises located at Plot No. 438,480 and 481, Samliyala, Taluka: Padra, District: Vadodara	Consent no. 64644 vide letter no. GPCB/NOC-VRD-3767/ID-42198/226950	Gujarat Pollution Control Board	September 26, 2014	June 4, 2019.
Consolidated Consent under section 25 of the Water Act, 1974, Section 21 of the Air Act, 1981 at the premises located at Plot No. 101/B/7, Road No. 2, GIDC Ranoli, Ranoli, Taluka: Vadodara, Dist: Vadodara – 391350	Consent no. 73029 vide letter no. GPCB/NOC-VRD-3878(1)/ID-43495/327828	Gujarat Pollution Control Board	September 18, 2015	July 9, 2020.

Intellectual Property Related Approvals:

The Company is in the process of making an application for registration of its logo the Trademarks Act, 1999.



APPROVALS/LICENSES TO BE APPLIED FOR:

Registration of the establishment under the Contract Labour (Regulation and abolition) Act, 1970



OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE OFFER

The Offer has been authorized by a resolution passed by our Board of Directors at its meeting held on December 19, 2015.

The Selling Shareholder, Diamond Power Infrastructure Limited has, pursuant to its board resolution dated May 31, 2015, and vide consent letter of its Managing Director dated January 11, 2016 approved the transfer of 59,34,000 Equity Shares held by it, through the Offer.

The Selling Shareholder has confirmed that it has not been prohibited from dealings in securities market and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights.

Our Company has obtained in-principle listing approval from SME Platform of BSE for using its name in Prospectus pursuant to letter dated [•].

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

None of our Company, our Directors, our Promoters, relatives of Promoters, our Promoter Group, our Group Entities and Selling Shareholder has been declared as wilful defaulter(s) by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoters, Promoter Group, Directors, Group Entities or Selling Shareholder have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other government authority. Neither our Promoters, nor any of our Directors or persons in control of our Company were or are promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities.

None of our Directors is associated with the securities market in any manner, including securities market related business.

ELIGIBITY FOR THIS OFFER

Our Company is eligible for the Offer in accordance with regulation 106M(2) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post offer face value capital does not exceed Rs. 2,500 lakhs. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

We confirm that:

- 1. In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, this Offer will be hundred percent underwritten and that the LM will underwrite at least 15% of the total offer size. For further details pertaining to underwriting please refer to chapter titled "General Information" beginning on page 65 of this Draft Prospectus.
- 2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Offer is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our company and Selling Shareholder becomes liable to repay it, then our company, Selling Shareholder and every officer in default shall, on and from expiry of eight

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- days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013
- 3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our LM submits the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- 4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Offer. For further details of the market making arrangement see chapter titled "General Information" beginning on page 65 of this Draft Prospectus.
- 5. The Company has Net Tangible assets of at least Rs. 3 crore as per the latest audited financial results (as restated).
- 6. The Net worth (excluding revaluation reserves) of the Company is at least Rs. 3 crore as per the latest audited financial results (as restated).
- 7. The Company has track record of distributable profits in terms of section 123 of Companies Act for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months or has networth of Rs. 5 crore.
- 8. The distributable Profit, Net tangible Assets and Net worth of the Company as per the restated financial statements for the period ended September 30, 2015 and the year ended March 31, 2015, 2014 and 2013 is as set forth below:-

(Rs. In lakhs)

Particulars	September 30, 2015	March 31, 2015	March 31, 2014	March 31, 2013
Distributable				
Profits*	(9.51)	(4,056.43)	587.20	17.27
Net Tangible				
Assets**	6955.07	6,964.09	10,167.42	8,988.92
Net Worth***	2204.48	2,213.99	6,270.42	5,683.22

^{* &}quot;Distributable profits" have been computed in terms section 123 of the Companies Act, 2013.

- *** "Net Worth" has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any
- 9. The Post-Offer paid up capital of the Company shall be at least Rs. 3 Crore. The post-Offer paid up capital of the Company is Rs. 2,197.71 lakhs.
- 10. The Company shall mandatorily facilitate trading in demat securities and is in the process of entering into an agreement with both the depositories.
- 11. The Company has not been referred to Board for Industrial and Financial Reconstruction.
- 12. No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.

^{** &#}x27;Net tangible assets' are defined as the sum of all net assets (i.e. non current assets, current assets less current liabilities) of our Company, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India



- 13. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
- 14. There has been no change in the promoter(s) of the Company in the one year preceding the date of filing application to BSE for listing on SME segment.
- 15. The Company has a website i.e. www.dicabstransformers.com

We further confirm that we shall be complying with all the other requirements as laid down for such an Offer under Chapter XB of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Offer.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SECURITIES AND EXCHANGE BOARD OF INDIA SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY AND **SELLING SHAREHOLDER** ARE **PRIMARILY** RESPONSIBLE **FOR** CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE OFFER DOCUMENT, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDER DISCHARGES THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) **REGULATIONS, 1992.**

"WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING OFFER STATE AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT PROSPECTUS PERTAINING TO THE SAID OFFER;



- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:
 - A. THE DRAFT PROSPECTUS FILED WITH THE EXCHANGE IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;
 - B. ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - C. THE DISCLOSURES MADE IN THE DRAFT PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.
- 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.
- 5. WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT PROSPECTUS WITH THE EXCHANGE TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT PROSPECTUS.
- 6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT PROSPECTUS.
- 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE



CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER.—NOT APPLICABLE

- 8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANYAND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. NOT APPLICABLE
- 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE DRAFT PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION NOTED FOR COMPLIANCE
- 10.WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.- NOT APPLICABLE AS IN TERMS OF THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013, THE SHARES ISSUED IN THE PUBLIC ISSUE SHALL BE IN DEMAT FORM ONLY.
- 11.WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
- 12.WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT PROSPECTUS:
 - A. AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY AND
 - B. AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.
- 13.WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS,



2009 WHILE MAKING THE OFFER. - NOTED FOR COMPLIANCE

- 14.WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC.
- 15.WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. (CHECKLIST ENCLOSED)
- 16.WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR DETAILS ARE ENCLOSED IN "ANNEXURE A"
- 17.WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTION HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS." COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE DRAFT PROSPECTUS

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

- (1) "WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
- (2) WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE COMPANY HAVE BEEN MADE IN DRAFT PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE COMPANY OR RELATING TO THE OFFER UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS OFFER SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-OFFER ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE OFFER HAVE BEEN GIVEN.
- (3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. NOTED FOR COMPLIANCE
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE COMPANY. NOTED FOR COMPLIANCE
- (5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISO TO SUB-



REGULATION 4 OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT PROSPECTUS.

(6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.

Note:

The filing of this Draft Prospectus does not, however, absolve our Company and the Selling Shareholder from any liabilities under section 34 and 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Offer. SEBI further reserves the right to take up at any point of time, with the Lead manager any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Gujarat, Dadra and Nagar Havelli in terms of Section 26, 28 and 30 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY, THE SELLING SHAREHOLDER AND THE LEAD MANAGER

Our Company, our Directors, the Selling Shareholder and the Lead Manager accept no responsibility for statements made otherwise than in this Draft Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website www.dicabstransformers.com, would be doing so at his or her own risk.

Caution

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Offer Management entered into among the Lead Manager, our Company and the Selling Shareholder dated January 25, 2016, the Underwriting Agreement dated January 25, 2016 entered into among the Underwriter, our Company and the Selling Shareholder and the Market Making Agreement dated [•] entered into among the Market Maker, Lead Manager and our Company.

Our Company, the Selling Shareholder and the Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres, *etc*.

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and the associates of our Company, Selling shareholders and their associates in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an 'associate' of the Company and is eligible to Lead Manage this Offer, under the SEBI (Merchant Bankers) Regulations, 1992.

Investors who apply in this Offer will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholder and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under



applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company, the Selling Shareholder and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and track record of the past issue handled by M/s Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please refer "Annexure A" to this Draft Prospectus and the website of the Lead Manager at www.pantomathgroup.com

DISCLAIMER IN RESPECT OF JURISDICTION

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 2(72) of the Companies Act, 2013, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Draft Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in Vadodara, Gujarat only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Prospectus has been filed with BSE for its observations and BSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Draft Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been, and will not be, registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities



Act and in compliance with applicable laws, legislations and Draft Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE

As required, a copy of this Draft Prospectus shall be submitted to BSE. The disclaimer clause as intimated by BSE to us, post scrutiny of this Draft Prospectus, shall be included in the Prospectus prior to RoC filing.

FILING

This Draft Prospectus has not been filed with SEBI, nor will SEBI issue any observation on the Offer Document in term of Regulation 106(M)(3) of SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with SEBI at the SEBI Corporate Finance Department, Ahmedabad. A copy of the Prospectus, along with the documents required to be filed under Section 26 and section 28 of the Companies Act, 2013 shall be delivered to the RoC situated at ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad-380013.

LISTING

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining inprinciple approval from SME Platform of BSE. However application will be made to the SME Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The SME Platform of BSE has given its in-principle approval for using its name in our Prospectus vide its letter dated [●].

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE, our Company and the Selling Shareholder will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Draft Prospectus. If such money is not repaid within 8 days after our Company and the Selling Shareholder becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Offer Closing Date), then our Company, Selling Shareholder and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 40 of the Companies Act, 2013

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of the BSE mentioned above are taken within six Working Days from the Offer Closing Date. Further, the Selling Shareholder confirms that all steps, as may be reasonably required and necessary, will be taken for the completion of the necessary formalities for listing and commencement of trading at the SME Platform of BSE where the Equity Shares are proposed to be listed within six Working Days of the Offer Closing Date.

CONSENTS

Consents in writing of: (a) the Directors, the Promoters, the Company Secretary & Compliance Officer, Chief Financial Officer, the Statutory Auditors, the Peer Reviewed Auditors, the Banker to the Company; and (b) Lead manager, Underwriters, Market Makers, Registrar to the Offer, Banker(s) to the Offer, Legal Advisor to the Offer to act in their respective capacities have been obtained and is filed along with a copy of the Prospectus with the RoC, as required under sections 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Peer Reviewed Auditors have given their written



consent to the inclusion of their report in the form and context in which it appears in this Draft Prospectus/Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

EXPERT TO THE OFFER

Except as stated below, our Company has not obtained any expert opinions:

• Report of the Peer Reviewed Auditor on Statement of Tax Benefits.

EXPENSES OF THE OFFER

The expenses of this Offer include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Offer, refer to chapter "Objects of the Offer" beginning on page 93 of this Draft Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the Mandate Letter dated June 30, 2015 between our Company and the Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer will be as per the Agreement signed by our Company and the Registrar to the Offer dated January 25, 2015, a copy of which is available for inspection at our Registered Office. The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Offer to enable them to send unblocking or allotment advice by registered post/ speed post/ under certificate of posting.

Fees Payable to Others

The total fees payable to the Legal Advisor, Auditor and Advertiser, *etc.* will be as per the terms of their respective engagement letters if any.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Offer is as set out in the Underwriting Agreement entered into between our Company and the Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2013.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

We have not made any previous rights and/or public issues since incorporation, and are an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations and this Offer is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations.



PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled "Capital Structure" beginning on page 73 of this Draft Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION OR BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370 (1B) OF THE COMPANIES ACT, 1956 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS:

The equity shares of our Promoter M/s Diamond Power Infrastructure Limited and our Group Company, M/s Diamond Infosystems Limited are listed on a recognised stock exchange, however, none of the above companies have raised any capital during the past 3 years.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Offer is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of this Draft Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Offer is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Offer for redressal of their grievances. All grievances relating to this Offer may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY



Our Company or the Registrar to the Offer or the SCSB in case of ASBA Applicant shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Stakeholders Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on October 24, 2015. For further details, please refer to the chapter titled "Our Management" beginning on page 142 of this Draft Prospectus.

Our Company has appointed Ms. Komal Tiwari as Compliance Officer and she may be contacted at the following address:

Komal Tiwari

Diamond Power Transformers Limited

101/B/7, G, I.D.C Estate,

Ranoli, Baroda,

Gujarat- 390350, India **Tel:** 0265-3299596 **Fax:** 0265-2240591

Email: cs@dicabstransformers.com Website: www.dicabstransformers.com

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, *etc*.

CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

No Changes in Auditors have been done in last three financial years

CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled "Capital Structure" beginning on page 73 of this Draft Prospectus, our Company has not capitalized its reserves or profits during the last five years.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

PURCHASE OF PROPERTY

Other than as disclosed in this Draft Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Draft Prospectus.

Except as stated elsewhere in this Draft Prospectus, our Company has not purchased any property in which the Promoters and/or Directors have any direct or indirect interest in any payment made there under.

SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.



SECTION VII – OFFER RELATED INFORMATION TERMS OF THE OFFER

The Equity Shares being offered and transferred are subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, our Memorandum and Articles of Association, the SEBI Listing Regulations, the terms of the Draft Prospectus, the Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable.

Please note that, in terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 All the investors applying in a public offer shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registrar to the Offer and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official websites of the concerned stock exchanges for any information on operationalization of this facility of form collection by Registrar to the Offer and DPs as and when the same is made available.

OFFER FOR SALE

The Offer comprises an Offer for Sale by the Selling Shareholders. All expenses in relation to the Offer other than listing fees (which shall be borne by our Company) shall be paid by and shared between our Company and the Selling Shareholders in proportion to the Equity Shares contributed to the Offer in accordance with applicable law. However, for ease of operations, expenses of the Selling Shareholders may, at the outset, be borne by our Company on behalf of the Selling Shareholders, and the Selling Shareholders agree that they will reimburse our Company all such expenses.

RANKING OF EQUITY SHARES

The Equity Shares being offered and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees in receipt of Allotment of Equity Shares under this Offer will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled "Main Provisions of Articles of Association" beginning on page number 299 of this Draft Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, SEBI Listing Regulations and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer to the chapter titled "Dividend Policy" on page 166 of this Draft Prospectus.



FACE VALUE AND OFFER PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Offer Price is Rs. 20 per Equity Share. The Offer Price is determined by Selling Shareholder in consultation with the Lead Manager and is justified under the section titled "Basis for Offer Price" beginning on page 94 of this Draft Prospectus. At any given point of time there shall be only one denomination for the Equity Shares.

COMPLIANCE WITH SEBI ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013 Act, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled "Main Provisions of Articles of Association" beginning on page number 299 of this Draft Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors.

The trading of the Equity Shares will happen in the minimum contract size of 6,000 Equity Shares and the same may be modified by BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of 6,000 Equity Shares subject to a minimum allotment of 6,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

MINIMUM NUMBER OF ALLOTTEES

The minimum number of allottees in this Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Offer and the monies blocked by the SCSBs shall be unblocked within 6 working days of closure of offer.



JURISDICTION

Exclusive jurisdiction for the purpose of this Offer is with the competent courts / authorities in Mumbai, Maharashtra, India.

The Equity Shares have not been and will not be registered under the U.S. Securities Act or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

JOINT HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint – tenants with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013 the sole applicant, or the first applicant along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the Applicant, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- a. to register himself or herself as the holder of the Equity Shares; or
- b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination,



they are requested to inform their respective depository participant.

PERIOD OF OPERATION OF SUBSCRIPTION LIST OF PUBLIC OFFER		
OFFER OPENS ON		
OFFER CLOSES ON	[•]	

MINIMUM SUBSCRIPTION

This Offer is not restricted to any minimum subscription level. This Offer is 100% underwritten. If our Company does not receive the 100% subscription of the offer through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the offer, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

The minimum number of allottees in this Offer shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Offer and the monies blocked by the SCSBs shall be unblocked within 6 working days of closure of offer.

Further, in accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

MIGRATION TO MAIN BOARD

Our company may migrate to the Main Board of BSE from the SME Stock Exchange on a later date subject to the following:

a. If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to BSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

b. If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.



MARKET MAKING

The shares offered through this Offer are proposed to be listed on the SME Platform of BSE (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing of shares offered through the Draft Prospectus. For further details of the market making arrangement please refer to chapter titled "General Information" beginning on page 65 of this Draft Prospectus.

ARRANGEMENT FOR DISPOSAL OF ODD LOT

The trading of the equity shares will happen in the minimum contract size of 6,000 shares in terms of the SEBI circular no. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the market maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME Platform of BSE.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS OFFER.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

OPTION TO RECEIVE SECURITIES IN DEMATERIALISED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

NEW FINANCIAL INSTRUMENTS

The Company is not issuing any new financial instruments through this Offer.

APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI AND QFI'S

It is to be understood that there is no reservation for Eligible NRIs or FPIs or QFIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, QFIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.



RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-Offer Equity Shares and Promoter's minimum contribution in the Offer as detailed in the chapter "Capital Structure" beginning on page 73 of this Draft Prospectus and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "Main Provisions of the Articles of Association" beginning on page 299 of this Draft Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the Draft Prospectus. Applicants are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.



OFFER STRUCTURE

This Offer is being made in terms of Regulation 106(M)(2) of Chapter XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, where our post offer face value capital exceeds ten crore rupees but does not exceed twenty five crore rupees. The Company shall offer specified securities to the public and proposes to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an offer please refer chapter titled "Terms of the Offer" and "Offer Procedure" on page 242 and 250 of this Draft Prospectus.

Following is the offer structure:

Public Offer of 59,34,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. 20/- per Equity Share (including a premium of Rs. 10/- per equity share) aggregating Rs. 1,186.80 Lacs (the "Offer") through an offer for sale by the Selling Shareholder.

The Offer comprises a Net Offer to Public of 56,28,000 Equity Shares ('the Net Offer'), a reservation of 3,06,000 Equity Shares for subscription by the designated Market Maker ('the Market Maker Reservation Portion)

Particulars	Net Offer to Public*	Market Maker Reservation Portion
Number of Equity Shares	56,28,000 Equity Shares	3,06,000 Equity Shares
Percentage of Offer Size available for allocation	94.84% of Offer Size	5.16% of Offer Size
Basis of Allotment/ Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of 6,000 equity shares and further allotment in multiples of 6,000 equity shares each. For further details please refer to the section titled "Offer Procedure-Basis of Allotment" on page 250 of the Draft Prospectus	Firm allotment
Mode of Application	All the applicants shall make the application (Online or Physical) through the ASBA Process	Through ASBA Process Only
Minimum Application	For QIB and NII Such number of Equity Shares in multiples of 6,000 Equity Shares such that the Application size exceeds Rs 2,00,000 For Retail Individual 6,000 Equity shares	3,06,000 Equity Shares
Maximum Application Size	For Other than Retail Individual Investors: For all other investors the maximum application size is the Net Offer to public subject to limits the investor has to adhere under the relevant	3,06,000 Equity Shares of Face Value of Rs 10 each



Particulars	Net Offer to Public*	Market Maker Reservation Portion
	laws and regulations as applicable.	
	For Retail Individuals:	
	6,000 Equity Shares	
Mode of Allotment	Compulsorily in Dematerialised	Compulsorily in
	mode	Dematerialised mode
Trading Lot		6,000 Equity Shares, however
		the Market Maker may accept
	6,000 Equity Shares	odd lots if any in the market
		as required under the SEBI
		ICDR Regulations
Terms of payment	The Applicant shall have sufficient balance In the ASBA account at	
	the time of submitting application and the amount will be blocked	
	anytime within two days of the closure of the Offer.	

^{*50 %} of the shares offered in the Net Offer to Public portion are reserved for applications whose value is below Rs. 2,00,000 and the balance 50 % of the shares are reserved for applications whose value is above Rs. 2,00,000.

WITHDRAWAL OF THE OFFER

In accordance with the SEBI ICDR Regulations, our Company and Selling Shareholder, in consultation with Lead Manager, reserves the right not to proceed with this Offer at any time after the Offer Opening Date, but before our Board meeting for Allotment, without assigning reasons thereof. However, if our Company/Selling Shareholders withdraws the Offer after the Offer Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-Offer advertisements were published.

Further, the Stock Exchange shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Offer, shall notify the SCSBs to unblock the Bank Accounts of the Applicants within one Working Day from the date of receipt of such notification. In case our Company withdraws the Offer after the Offer Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non retail applicants shall not be allowed to withdraw their Application after the Offer Closing Date.

OFFER PROGRAMME

OFFER OPENS ON	[•]
OFFER CLOSES ON	[•]

Applications and any revision to the same (except that on the Offer Closing Date) will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Offer Period at the Application Centres mentioned in the Application Form. On the Offer Closing date application and revision to the same will be accepted between 10.00 a.m and 3.00 p.m. Applications will be accepted during Offer period on Working Days.



OFFER PROCEDURE

All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the "General Information Document") included below under section "- Part B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public offer. The General Information Document is also available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Offer.

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and the Lead Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Draft Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Draft Prospectus and the Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

FIXED PRICEPROCEDURE

The Offer is being made under Regulation 106(M)(2) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the Application Collecting Intermediaries. In case of QIB Applicants, the Company and Selling Shareholder in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non Institutional Applicants and Retail Individual Applicants, our Company and would have a right to reject the Applications only on technical grounds.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form.

Further the Equity shares on allotment shall be traded only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.



APPLICATION FORM

Pursuant to SEBI Circular dated September 27, 2011 and bearing No. CIR/CFD/DIL/4/2011, the Application Form has been standardized. Also please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in public issues/offers can only invest through ASBA Mode. The prescribed colours of the Application Form for various investors applying in the Offer are as follows:

Category	Colour of Application Form
Resident Indians and Eligible NRIs applying on a non-	
repatriation basis	White
Eligible NRIs, FVCIs, FIIs, their Sub-Accounts (other than	
Sub-Accounts which are foreign corporates or foreign	
individuals bidding under the QIB Portion), applying on a	
repatriation basis (ASBA)	Blue

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries

- i) an SCSB, with whom the bank account to be blocked, is maintained
- *ii*) a syndicate member (or sub-syndicate member)
- iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
- *iv*) a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- v) a registrar to an /offer and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs: After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of /Offer.	



Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.

Availability of Prospectus and Application Forms

The Application Forms and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Offer, Registrar to the Offeras mentioned in the Application Form. The application forms may also be downloaded from the website of BSE Limited i.e. www.bseindia.com.

WHO CAN APPLY?

In addition to the category of Applicants set forth under "- General Information Document for Investing in Public Issues/Offers - Category of Investors Eligible to participate in an Issue/Offer", the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.

OPTION TO SUBSCRIBE IN THE OFFER

- a) As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.
- b) The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c) A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

PARTICIPATION BY ASSOCIATED/ AFFILIATES OF LEAD MANAGER AND SYNDICATE MEMBERS

The Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager and the Syndicate Members, if any, may purchase the Equity Shares in the Offer, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRI'S APPLYING ON NON REPATRIATION

Application must be made only in the names of individuals, limited companies or statutory corporations/institutions and not in the names of minors, foreign nationals, non residents (except for those applying on non repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu undivided families, partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis



may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE/FCNR accounts as well as NRO accounts.

APPLICATIONS BY ELIGIBLE NRI'S/RFPI'S ON REPATRIATION BASIS

Application Forms have been made available for eligible NRIs at our Registered Office and at the Corporate Office of the Lead manager. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue/offer securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue/offer of shares for allotment to NRIs on repatriation basis. Allotment of equity shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws.

As per the current regulations, the following restrictions are applicable for investments by FPIs:

- 1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies' (IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
- 2. Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
- 3. In respect of investments in the secondary market, the following additional conditions shall apply:
 - a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
 - b) Nothing contained in clause (a) shall apply to:



- I. Any transactions in derivatives on a recognized stock exchange;
- II. Short selling transactions in accordance with the framework specified by the Board;
- III. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue/offer in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- IV. Any other transaction specified by the Board.
- c) No transaction on the stock exchange shall be carried forward;
- d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
 - i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
 - ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - iii. sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
 - iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 1998;
 - v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
 - vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
 - vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue/offer in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - viii. Any other transaction specified by the Board.
- e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized.

- Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996
- 4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.



- 5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
- 6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
- 7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- (a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
- (b) Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as an foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.



APPLICATIONS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights. With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof. In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of Applications made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reason thereof. Limited liability partnerships can participate in the Offer only through the ASBA process.

APPLICATIONS BY INSURANCE COMPANIES

In case of Applications made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any Application without assigning any reasons thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (the 'IRDA Investment Regulations'), are broadly set forth below:

- 1. *Equity shares of a company:* The least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
 - The entire group of the investee company: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of Unit Linked Insurance Plans); and
- 2. The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of Unit Linked Insurance Plans).

APPLICATIONS UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2500 Lacs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lacs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/ or bye laws must be lodged along with the Application Form. Failing



this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

With respect to applications by VCFs, FVCIs, and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by FIIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by provident funds with minimum corpus of Rs. 25 crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 crore, a certified copy of certificate from a Chartered Accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

APPLICATIONS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Applications made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus/ Prospectus.



INFORMATION FOR THE APPLICANTS

- 1) Our Company and the Lead Managers shall declare the Offer Opening Date and Offer Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in one regional newspaper with wide circulation. This advertisement shall be in the prescribed format.
- 2) Our Company will file the Prospectus with the RoC at least three days before the Offer Opening Date.
- 3) Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office.
- 4) Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorised agent(s).
- 5) Applications should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted.. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application Forms submitted by Applicants whose beneficiary account is inactive shall be rejected.
- 6) the Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries. Further Application Collecting Intermediary may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
- 7) Except for applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Offer will be made into the accounts of such Applicants.
- 8) The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange by the Bankers to the Offer or the SCSBs do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

METHOD AND PROCESS OF APPLICATIONS

- 1. Applicants are required to submit their applications during the Offer Period only through the following Application Collecting intermediary
 - i) an SCSB, with whom the bank account to be blocked, is maintained
 - *ii*) a syndicate member (or sub-syndicate member)
 - iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
 - *iv*) a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)



- v) a registrar to an offer and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
- 2. The Offer Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Offer Period may be extended, if required, by an additional three Working Days, subject to the total Offer Period not exceeding 10 Working Days.
- 3. The Intermediaries shall accept applications from all Applicants and they shall have the right to vet the applications during the Offer Period in accordance with the terms of the Prospectus.
- 4. The Applicant cannot apply on another Application Form on one Application Form has been submitted to Application Collecting intermediaries Submission of a second Application Form to either the same or to another Application Collecting Intermediary will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Offer.
- 5. The intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.
- 6. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Offer.

- 7. Upon receipt of the Application Form directly or through other intermediary, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, and If sufficient funds are not available in the ASBA Account the application will be rejected.
- 8. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and



- generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.
- 9. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Offer Account, or until withdrawal/failure of the Offer or until withdrawal/rejection of the Application Form, as the case may be. Once the Basis of Allotment is finalized, the Registrar to the Offershall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Offer Account. In case of withdrawal / failure of the Offer, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Offer.

TERMS OF PAYMENT

Terms of Payment

The entire Offer price of Rs. 20/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, The Registrar to the Offer shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Offer Bank Account. The balance amount after transfer to the Public Offer Account shall be unblocked by the SCSBs.

The Applicants should note that the arrangement with Bankers to the Offer or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholder, the Bankers to the Offer and the Registrar to the Offer to facilitate collections from the Applicants.

Payment mechanism for Applicants

The Applicants shall specify the bank account number in the Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Offershall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Offer and consequent transfer of the Application Amount to the Public Offer Account, or until withdrawal/ failure of the Offer or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Offer shall mandatorily make use of ASBA facility.



ELECTRONIC REGISTRATION OF APPLICATIONS

- 1. The Application Collecting Intermediary will register the applications using the on-line facilities of the Stock Exchange.
- 2. The Application Collecting Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m of the next Working day from the Offer Closing Date.
- 3. The Application collecting Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them, (iii) the applications accepted but not uploaded by them or (iv) In case the applications accepted and uploaded by any Application Collecting Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be re will be responsible for blocking the necessary amounts in the ASBA Accounts. (v) Application accepted and uploaded but not sent to SCSBs for blocking of funds.
- 4. Neither the Lead Managers nor our Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Application Collecting Intermediaries, (ii) the applications uploaded by any Application Collecting Intermediaries or (iii) the applications accepted but not uploaded by the Application Collecting Intermediaries.
- 5. The Stock Exchange will offer an electronic facility for registering applications for the Offer. This facility will be available at the terminals of the Application Collecting Intermediaries and their authorized agents during the Offer Period. The Designated Branches or the Agents of the Application Collecting Intermediaries can also set up facilities for offline electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Offer Closing Date, the Application Collecting Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
- 6. With respect to applications by Applicants, at the time of registering such applications, the Application Collecting Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:
- Name of the Applicant;
- IPO Name;
- Application Form number;
- Investor Category;
- PAN (of First Applicant, if more than one Applicant);
- DP ID of the demat account of the Applicant;



- Client Identification Number of the demat account of the Applicant;
- Numbers of Equity Shares Applied for;
- Bank account number.
- 7. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic Application Form number which shall be system generated.
- 8. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
- 9. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.
- 10. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Draft Prospectus. The Application Collecting Intermediaries shall have no right to reject applications, except on technical grounds.
- 11. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Draft Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
- 12. The Application Collecting Intermediaries will be given time till 1.00 P.M on the next working day after the Offer Closing Date to verify the PAN No, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Offerwill receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
- 13. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA applications.

ALLOCATION OF EQUITY SHARES

1. The Offer is being made through the Fixed Price Process wherein 3,06,000 Equity Shares shall be reserved for Market Maker. 28,14,000 Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Offer Price. The balance of the Net Offer will be available for allocation on a proportionate basis to Non Retail Applicants.



- 2. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
- 3. Allocation to Non-Residents, including Eligible NRIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
- 4. In terms of the SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
- 5. Allotment status details shall be available on the website of the Registrar to the Offer.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

- a) Our Company has entered into an Underwriting agreement dated January 25, 2016.
- b) A copy of the Prospectus will be filed with the RoC in terms of Section 26 of the Companies Act.

PRE- OFFER ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-offer advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii) Regional Newspaper, each with wide circulation.

ISSUANCE OF ALLOTMENT ADVICE

- 1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
- 2. The Lead Managers or the Registrar to the Offerwill dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Offer.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the demographic details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in your bank account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB;



- Ensure that the Application Form is signed by the account holder in case the applicant is not the
 account holder. Ensure that you have mentioned the correct bank account number in the
 Application Form;
- Ensure that you have requested for and receive a acknowledgement;
- All applicants should submit their applications through the ASBA process only.

Dont's:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Banker to of the Offer.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Application Coolecting Intermediaries. Do not fill in the Application Form such that the Equity Shares applied for exceeds the Offer Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide
 details for a beneficiary account which is suspended or for which details cannot be verified by
 the Registrar to the Offer
- Do not submit Applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant

Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

Instructions for Completing the Application Form

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form. Applications not so made are liable to be rejected. Application Forms should bear the stamp of the Application Collecting Intermediaries. Application Forms, which do not bear the stamp of the Application Collecting Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker ('broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com. With a view to broadbase the reach of Investors by substantialy enhancing the points for submission of applications, SEBI vide Circular No.CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Offer and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com.



Applicant's Depository Account and Bank Details

Please note that, providing bank account details, PAN Nos, Client ID and DP ID in the space provided in the application form is mandatory and applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form as entered into the Stock Exchange online system, the Registrar to the Offerwill obtain from the Depository the demographic details including address, Applicants bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. The Demographic Details given by Applicants in the Application Form would not be used for any other purpose by the Registrar to the Offer.

By signing the Application Form, the Applicant would be deemed to have authorized the depositories to provide, upon request, to the Registrar to the Offer, the required Demographic Details as available on its records.

SUBMISSION OF APPLICATION FORM

All Application Forms duly completed shall be submitted to the Application Collecting Intermediaries

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

COMMUNICATIONS

All future communications in connection with Applications made in this offer should be addressed to the Registrar to the Offerquoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Application Collecting Intermediary where the Application was submitted thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Offerin case of any pre Offer or post Offer related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, etc.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 6 working days fron Offer Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Offer Closing Date;



2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Offer.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who—

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

UNDERTAKINGS BY THE COMPANY

We undertake as follows:

- 1. If our Company or the Selling Shareholders do not proceed with the Offer after the Bid/ Offer Closing Date the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/ Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- 2. That the complaints received in respect of the Offer shall be attended expeditiously and satisfactorily;
- 3. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed on sixth day from offer closure date.
- 4. That our Promoter's contribution in full has already been brought in;
- 5. That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and
- 6. That the certificates of the securities to the non-resident Indians shall be dispatched within specified time;
- 7. That, adequate arrangements shall be made to collect all Applications Supported by Blocked Amount

UNDERTAKINGS BY THE SELLING SHAREHOLDER

The Selling Shareholder undertakes that:

1. the Equity Shares being sold by it pursuant to the Offer, are eligible to be offered for Sale and are fully paid-up & are in demarterialised form;



- 2. it is the legal and beneficial owner of, and have full title to, the Equity Shares being sold in the Offer;
- 3. the Equity Shares being sold by it pursuant to the Offer are free and clear of any liens or encumbrances and shall be transferred to the eligible investors within the time specified under applicable law;
- 4. it shall provide all reasonable co-operation as requested by our Company in relation to the completion of allotment and dispatch of the allotment advice and CAN, if required, and unblock amount or order to the extent of the Equity Shares offered by it pursuant to the Offer;
- 5. it shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the LMs in redressal of such investor grievances that pertain to the Equity Shares held by it and being offered pursuant to the Offer;
- 6. it shall provide such reasonable support and extend such reasonable co-operation as may be required by the Company in sending a suitable communication where funds are unblocked to the applicant within 4 days from the Offer Closing Date;
- 7. it shall not have recourse to the proceeds of the Offer until final approval for trading of the Equity Shares from the Stock Exchange where listing is sought has been received;
- 8. if the Selling Shareholder does not proceed with the Offer after the Offer Closing Date, the reason thereof shall be given by our Company as a public notice within two days of the Offer Closing Date. The public notice shall be issued in the same newspapers where the pre- Offer advertisements were published. The stock exchange on which the Equity Shares are proposed to be listed shall also be informed promptly. It shall extend all reasonable cooperation requested by our Company and the LM in this regard;
- 9. it shall not further transfer the Equity Shares except in the Offer during the period commencing from submission of the Draft Prospectus with SEBI until the final trading approvals from the Stock Exchange has been obtained for the Equity Shares Allotted/ to be Allotted pursuant to the Offer and shall not sell, dispose of in any manner or create any lien, charge or encumbrance on the Equity Shares offered by it in the Offer;
- 10. it shall take all such steps as may be required to ensure that the Equity Shares being sold by it pursuant to the Offer are available for transfer in the Offer within the time specified under applicable law; and
- 11. it shall comply with all applicable laws, in India, including the Companies Act, the SEBI Regulations, the FEMA and the applicable circulars, guidelines and regulations issued by SEBI and RBI, each in relation to the Equity Shares offered by it in the Offer.

UTILIZATION OF THE OFFER PROCEEDS

The Board of Directors of our Company along with the Selling Shareholder certifies that:

- 1. all monies received out of the Offer shall be credited/transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013:
- 2. The Selling Shareholder shall not have recourse to the Offer Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange where listing is sought has been received.

The Lead manager undertakes that the complaints or comments received in respect of the Offer shall



be attended by our Company expeditiously and satisfactory.

EQUITY SHARES IN DEMATERIALSED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in the process of signing the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Agreement dated [•] among NSDL, the Company and the Registrar to the Offer;
- b. Agreement dated [●] among CDSL, the Company and the Registrar to the Offer;

The Company's shares bear ISIN no INE[●].



PART B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Draft Prospectus/Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through Fixed Price Issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("SEBI ICDR Regulations, 2009").

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies ("RoC"). Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchange, on the website(s) of the LM(s) to the Issue and on the website of Securities and Exchange Board of India ("SEBI") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section "Glossary and Abbreviations".

SECTION 2: BRIEF INTRODUCTION TO IPOS ON SME EXCHANGE

2.1 INITIAL PUBLIC OFFER (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009, if applicable. For details of compliance with the eligibility requirements by the Issuer, Applicants may refer to the Prospectus.

The Issuer may also undertake IPO under chapter XB of the SEBI (ICDR) Regulations, wherein as per,



- Regulation 106M (1): An issuer whose post-issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and upto twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation.

2.2 OTHER ELIGIBILITY REQUIREMENTS

In addition to the eligibility requirements specified in paragraphs 2.1, an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 (the "Companies Act"), The Securities Contracts (Regulation) Rules, 1957 (the "SCRR"), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation:

- (a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, Issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.
- (b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 73 of the Companies Act, 1956
- (c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- (d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.
- (e) The Issuer shall have Net Tangible assets of at least Rs. 3 crore as per the latest audited financial results.
- (f) The Net worth (excluding revaluation reserves) of the Issuer shall be at least Rs. 3 crore as per the latest audited financial results.
- (g) The Issuer should have a track record of distributable profits in terms of section 123 of Companies Act, 2013 for two out of immediately preceding three financial years or it should have net worth of at least Rs. 5 Crores.
- (h) The Post-issue paid up capital of the Issuer shall be at least Rs. 3 Crore.
- (i) The Issuer shall mandatorily facilitate trading in demat securities.
- (j) The Issuer should not been referred to Board for Industrial and Financial Reconstruction.
- (k) No petition for winding up is admitted by a court or a liquidator has not been appointed of



competent jurisdiction against the Company.

- (1) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.
- (m) The Company should have a website.
- (n) There has been no change in the promoter of the Company in the one year preceding the date of filing application to BSE for listing on SME segment. Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this Issue.

Thus Company is eligible for the Issue in accordance with regulation 106M (2) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital exceeds Rs. 1,000 lakhs but does not exceed Rs 2,500 lakhs. Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

2.3 TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND BOOK BUILT ISSUES

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process ("Book Built Issue") or undertake a Fixed Price Issue ("Fixed Price Issue"). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Issue Opening Date, in case of an IPO and at least one Working Day before the Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.4 ISSUE PERIOD

The Issue shall be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange(s).

2.5 MIGRATION TO MAIN BOARD

SME Issuer may migrate to the Main Board of SE from the SME Exchange at a later date subject to the following:



(a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), the Company shall apply to SE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

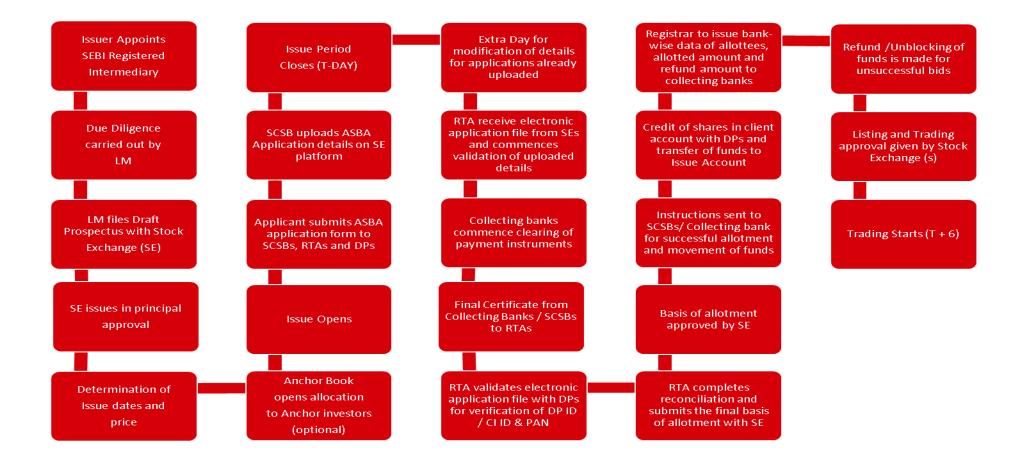
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(b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price Issues is as follows







SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE/OFFER

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

- Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta. Applications by HUFs would be considered at par with those from individuals;
- Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with IRDA;
- Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.



SECTION 4: APPLYING IN THE ISSUE

Fixed Price Issue: Applicants should only use the specified Application Form either bearing the stamp of Application Collecting Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms are available or Designated Branches of the SCSBs, at the registered office of the Issuer and at the corporate office of LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Application Form for various categories of Applicants is as follows:

Category	Colour of the Application
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FPIs, their Sub-Accounts (other than Sub-Accounts which are	Blue
foreign corporate(s) or foreign individuals applying under the QIB), on a	
repatriation basis	
Anchor Investors (where applicable) & Applicants applying in the reserved	Not Applicable
category	

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE APPLICATION FORM (FIXED PRICE ISSUE)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:



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4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

- (a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Offer only for correspondence(s) related to anOffer and for no other purposes.
- (b) **Joint Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (c) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

'Any person who:

- makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or
- makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
- otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,

Shall be liable for action under section 447 of the said Act.'

(d) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 109A of the Companies Act. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT

- (a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim ("PAN Exempted Applicants"). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications



- by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- (c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.
- (d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Applications by Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and demographic details are not provided by depositories.

4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS

- (a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, <u>otherwise</u>, the Application Form is liable to be rejected.
- (b) Applicants should ensure that the beneficiary account provided in the Application Form is active.
- (c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Offer.
- (d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.

4.1.4 FIELD NUMBER 4: APPLICATION DETAILS

- (a) The Issuer may mention Price in the draft Prospectus. However a prospectus registered with RoC contains one price.
- (b) Minimum And Maximum Application Size

i. For Retail Individual Applicants

The Application must be for a minimum of 6,000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 6,000 Equity Shares.

ii. For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 2,00,000 and in multiples of 6,000 Equity Shares thereafter. An Application cannot be submitted for more than theOffer Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after theOffer Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non Institutional Applicants, who are



individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion. Applicants are advised to ensure that any single Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Prospectus.

- (c) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to any other Application Collecting Intermediary and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (d) Applicants are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple applications:
 - All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
 - ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (e) The following applications may not be treated as multiple Applications:
 - i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the NetOffer portion in public category.
 - ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.
 - iii. Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS

- i. The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in theOffer are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).
- ii. An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in theOffer, applicants may refer to the Prospectus.
- iii. The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in anOffer depending upon compliance with the eligibility conditions. For details pertaining to allocation andOffer specific details in relation to allocation, applicant may refer to the Prospectus



4.1.6 FIELD NUMBER 6: INVESTOR STATUS

- (a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in theOffer is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in theOffer or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.
- (c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.
- (d) Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD 7: PAYMENT DETAILS

(a) Please note that, providing bank account details in the space provided in the Application Form is mandatory and Applications that do not contain such details are liable to be rejected.

4.1.7.1 Payment instructions for Applicants

- (a) Applicants may submit the Application Form in physical mode to the Application Collecting Intermediaries.
- (b) Applicants should specify the Bank Account number in the Application Form.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) Applicants shall note that that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one Bank Account, a maximum of five Application Forms can be submitted.
- (f) Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained. Incase Applicant applying through Application Collecting Intermediary other than SCSB, after verification and upload, the Application Collecting Intermediary shall send to SCSB for blocking of fund.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.



- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and subsequent transfer of the Application Amount against the Allotted Equity Shares, if any, to the PublicOffer Account, or until withdrawal or failure of theOffer, or until withdrawal or rejection of the Application, as the case may be
- (l) SCSBs applying in theOffer must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.1.8 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the PublicOffer Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the PublicOffer Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the PublicOffer Account, and (iv) details of rejected/partial/ non allotment ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Offer, the SCSBs may transfer the requisite amount against each successful ASBA Application to the PublicOffer Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Offer may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 6 Working Days of the Offer Closing Date.

4.1.8.1 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in theOffer, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in theOffer may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.1.8.2 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- (a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the Applicant, then the Signature of the Account holder(s) is also required.
- (c) In relation to the ASBA Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account



equivalent to the application amount mentioned in the Application Form.

(d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediaries, as applicable, for submission of the Application Form.

- (a) All communications in connection with Applications made in theOffer should be addressed as under:
 - i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Applicants should contact the Registrar to the Offer.
 - ii. In case of applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
 - iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to theOffer.
- (b) The following details (as applicable) should be quoted while making any queries
 - i. full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount blocked on application and ASBA Account Number and Name.

For further details, Applicant may refer to the Prospectus and the Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- (a) During the Offer Period, any Applicant (other than QIBs and NIIs, who can only revise their application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise their applications till closure of theOffer period or withdraw their applications until finalization of allotment.
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) The Applicant can make this revision any number of times during theOffer Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:



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4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: APPLICATION REVISION 'FROM' AND 'TO'

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Applicant must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form.
- (b) In case of revision of applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the application amount should exceed Rs. 2,00,000/- due to revision and the application may be considered, subject to eligibility, for allocation under the Non-Institutional Category.

4.2.3 FIELD 6: PAYMENT DETAILS

- (a) All Applicants are required to make payment of the full application amount along with the Revision Form.
- (b) Applicant may Issue instructions to block the revised amount in the ASBA Account, to Designated Branch through whom such Applicant had placed the original application to enable the relevant SCSB to block the additional application amount, if any.

4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 SUBMISSION OF REVISION FORM/ APPLICATION FORM

4.3.1 Applicants may submit completed application form / Revision Form in the following manner:-

Mode of Application	Submission of Application Form
All Investors	To the Application Collecting Intermediaries as mentioned
Application	in the Prospectus/ Application Form



SECTION 5: OFFER PROCEDURE IN FIXED PRICE OFFER

5.1 APPLICANTS MAY NOTE THAT THERE IS NO BID CUM APPLICATION FORM IN A FIXED PRICEOFFER

As the Offer Price is mentioned in the Fixed Price Offer therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Application Collecting Intermediaries and apply only through ASBA facility.

ASBA Applicants may submit an Application Form either in physical/electronic form to the Application Collecting Intermediaries authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Offer Opening Date.

In a fixed priceOffer, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

5.2 GROUNDS OF REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Offer;
- Applications for number of Equity Shares which are not in multiples of 6,000;
- · Category not ticked;
- Multiple Applications as defined in the Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Offer Opening Date advertisement and the Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint



holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;

- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole/ first Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly
 or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Offer Closing Date, unless the extended time is permitted by BSE.
- Details of ASBA Account not provided in the Application form

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section the GID.

APPLICANTS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE APPLICATION COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

SECTION 6:OFFER PROCEDURE IN BOOK BUILT ISSUE

This being Fixed PriceOffer, this section is not applicable for thisOffer.



SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

7.1 BASIS OF ALLOTMENT

Allotment will be made in consultation with the SME Platform of BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

- (a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of Applicants in the category x number of Shares applied for).
- (b) The number of Shares to be allocated to the successful Applicants will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- (c) For applications where the proportionate allotment works out to less than 6,000 equity shares the allotment will be made as follows:
 - i. Each successful Applicant shall be allotted 6,000 equity shares; and
 - ii. The successful Applicants out of the total applicants for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (2) above.
- (d) If the proportionate allotment to an Applicant works out to a number that is not a multiple of 6,000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 6,000 equity shares subject to a minimum allotment of 6,000 equity shares.
- (e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Applicants in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 6,000 Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the offer specified under the Capital Structure mentioned in this Draft Prospectus.
- (f) The above proportionate allotment of Shares in anOffer that is oversubscribed shall be subject to the reservation for Retail individual Applicants as described below:
 - i. As per Regulation 43 (4) of SEBI (ICDR), as the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 - ii. The balance net offer of shares to the public shall be made available for allotment to
 - individual applicants other than retails individual investors and
 - other investors, including corporate bodies/ institutions irrespective of number of shares applied for.
 - iii. The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs. 2,00,000/-. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with BSE.



The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Lead Manager and Registrar to the PublicOffer shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the PublicOffer Account with the Bankers to theOffer.
- (b) Issuance of Allotment Advice: Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to theOffer.
 - Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Offer.
- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 4 Working Days of theOffer Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Escrow Account to the PublicOffer Account on the Designated Date.



SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of theOffer Closing Date. The Registrar to the Offer may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of theOffer Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Prospectus.

8.2.2 MINIMUM SUBSCRIPTION

ThisOffer is not restricted to any minimum subscription level. ThisOffer is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of theOffer through this offer document including devolvement of Underwriters within sixty days from the date of closure of theOffer, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

8.3 MODE OF REFUND

Within 6 Working Days of theOffer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.



8.3.1 Mode of making refunds

The Registrar to the Offer may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of theOffer.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum /or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not done within the 4 Working days of theOffer Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Offer Closing Date, if Allotment is not made.



SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description	
Allotment/ Allot/ Allotted	The allotment of Equity Shares pursuant to theOffer to successful Applicants	
Allottee	An Applicant to whom the Equity Shares are Allotted	
Allotment Advice	Note or advice or intimation of Allotment sent to the Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges	
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009.	
Anchor Investor Portion	Up to 30% of the QIB Category which may be allocated by the Issuer in consultation with the Lead Manager, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors	
Application	An indication to make an offer during theOffer Period by a prospective pursuant to submission of Application Form or during the Anchor InvestorOffer Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price including all revisions and modifications thereto.	
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues/offers other than Book Built Issues, includes Fixed Price Issue/Offer	
	i) an SCSB, with whom the bank account to be blocked, is maintained	
	<i>ii)</i> a syndicate member (or sub-syndicate member)	
Application Collecting Intermediaries	<i>iii</i>) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')	
mermedianes	<i>iv)</i> a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)	
	v) a registrar to anOffer and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)	
Application Supported by Blocked Amount/(ASBA)/ASBA	An application, whether physical or electronic, used by Bidders/Applicants to make a Bid authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB	
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Applicant	
ASBA Application	An Application made by an ASBA Applicant	
Application Amount	The value indicated in Application Form and payable by the Applicant upon submission of the Application, less discounts (if applicable).	
Banker(s) to theOffer/	The banks which are clearing members and registered with SEBI as	



Term	Description
Torm	Banker to theOffer with whom the PublicOffer Account(s) may be
	opened, and as disclosed in the Prospectus and Bid cum Application
	Form of the Issuer
D : C A 11	The basis on which the Equity Shares may be Allotted to successful
Basis of Allotment	Applicants under theOffer
Issue Closing Date	The date after which the SCSBs may not accept any Application for theOffer, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation Applicants may refer to the Prospectus for theOffer Closing Date
Issue Opening Date	The date on which the SCSBs may start accepting application for theOffer, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Applicants/ bidders may refer to the Prospectus for the Offer Opening Date
Issue Period	The period between theOffer Opening Date and theOffer Closing Date inclusive of both days and during which prospective Applicants (can submit their application inclusive of any revisions thereof. The Issuer may consider closing theOffer Period for QIBs one working day prior to theOffer Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants may refer to the Prospectus for theOffer Period
Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009
Lead Manager(s)/Lead Manager/ LM	The Lead Manager to the Offer as disclosed in the Draft Prospectus/ Prospectus and the Bid Application Form of the Issuer.
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Companies Act	The Companies Act, 1956 and The Companies Act, 2013 (to the extant notified)
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on-http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries
Designated Date	The date on which the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the PublicOffer Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Applicants in theOffer may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale



Term	Description	
Designated Stock	The designated stock exchange as disclosed in the Draft	
Exchange	Prospectus/Prospectus of the Issuer	
Exchange	Discount to theOffer Price that may be provided to Bidders/Applicants	
Discount	in accordance with the SEBI ICDR Regulations, 2009.	
	The draft prospectus filed with the Designated stock exchange in case of	
Droft Prograatus	Fixed Price Issues/Offers and which may mention a price or a Price	
Draft Prospectus	•	
	Band Employees of an Issuer as defined under SEBI ICDR Regulations, 2009	
	and including, in case of a new company, persons in the permanent and	
Employees	full time employment of the promoting companies excluding the	
Employees	promoter and immediate relatives of the promoter. For further details	
	1 ^	
Equity Change	/Applicant may refer to the Prospectus	
Equity Shares	Equity shares of the Issuer	
FCNR Account	Foreign Currency Non-Resident Account	
Applicant	The Applicant whose name appears first in the Application Form or	
	Revision Form	
FPI(s)	Foreign Portfolio Investor	
Fixed Price Issue/Fixed		
Price Offer/ Fixed Price	The Fixed Price process as provided under SEBI ICDR Regulations,	
Process/Fixed Price	2009, in terms of which the Offer is being made	
Method		
FPO	Further public offering	
Foreign Venture Capital	Foreign Venture Capital Investors as defined and registered with SEBI	
Investors or FVCIs	under the SEBI (Foreign Venture Capital Investors) Regulations, 2000	
IPO	Initial public offering	
Offer	Public Offer of Equity Shares of the Issuer including the Offer for Sale	
Offer	if applicable	
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as	
issuel/ Company	applicable	
	The final price, less discount (if applicable) at which the Equity Shares	
Issue Price	may be Allotted in terms of the Prospectus. The Issue Price may be	
	decided by the Issuer in consultation with the Lead Manager(s)	
	The maximum number of RIIs who can be allotted the minimum	
Maximum RII Allottees	Application Lot. This is computed by dividing the total number of	
Waximum Kii 7 Mottees	Equity Shares available for Allotment to RIIs by the minimum	
	Application Lot.	
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a	
WICK	cheque leaf	
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds)	
Wittual Fulld	Regulations, 1996	
NECS	National Electronic Clearing Service	
NEFT	National Electronic Fund Transfer	
NRE Account	Non-Resident External Account	
	NRIs from such jurisdictions outside India where it is not unlawful to	
NRI	make an offer or invitation under the Issue and in relation to whom the	
ININI	RHP/Prospectus constitutes an invitation to subscribe to or purchase the	
	Equity Shares	
NRO Account	Non-Resident Ordinary Account	
Net Issue	The Issue less Market Maker Reservation Portion	
Non-Institutional	All Applicants, including sub accounts of FPIs registered with SEBI	
Investors or NIIs	which are foreign corporate or foreign individuals, that are not QIBs or	
	are rough torporate of foreign marriadans, that are not QIDS of	



Term	Description	
	RIBs and who have Bid for Equity Shares for an amount of more than Rs. 2,00,000 (but not including NRIs other than Eligible NRIs)	
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form	
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs registered with SEBI and FVCIs registered with SEBI	
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA	
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder	
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.	
PAN	Permanent Account Number allotted under the Income Tax Act, 1961	
Prospectus	The prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act 1956 read with section 26 of Companies Act 2013, containing the Issue Price, the size of the Issue and certain other information	
Public Issue Account	An account opened with the Banker to the Issue to receive moniesfrom the ASBA Accounts on the Designated Date	
QIB Category Qualified Institutional Buyers or QIBs	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis As defined under SEBI ICDR Regulations, 2009	
RTGS	Real Time Gross Settlement	
Refunds through electronic transfer of funds	Refunds through ASBA	
Registrar to the Offer/RTI	The Registrar to the Offer as disclosed in the Draft Prospectus / Prospectus and Bid cum Application Form	
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion	
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009	
Retail Individual Investors / RIIs	Investors who applies or for a value of not more than Rs. 2,00,000.	
Retail Individual Shareholders	Shareholders of a listed Issuer who applies for a value of not more than Rs. 2,00,000.	
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.	
Revision Form	The form used by the Applicant in an issue to modify the quantity of Equity Shares in an Application Forms or any previous Revision Form(s)	



Term	Description		
RoC	The Registrar of Companies		
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992		
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009		
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html		
SME IPO	Initial public offering as chapter XB of SEBI (ICDR) Regulation		
SME Issuer	The Company making the Issue under chapter XB of SEBI (ICDR) Regulation		
Stock Exchanges/SE	The stock exchanges as disclosed in the Draft Prospectus/ Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed		
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on		
Specified Locations	http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html Refer to definition of Broker Centers		
Underwriters	The Lead Manager(s)		
Underwriting Agreement	The agreement dated entered into between the Underwriters and our Company		
Working Day	Working days will be all days excluding Sundays and bank holidays.		



RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), issued Consolidated FDI Policy Circular of 2015 ("FDI Policy 2015"), which with effect from May 12, 2015, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force and effect as on May 11, 2015. However, press note 4 of (2015 Series), dated April 24, 2015, regarding policy on foreign investment in pension sector, will remain effective. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2015 will be valid until the DIPP issues an updated circular. The transfer of shares between an Indian resident and a nonresident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectoral caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("US Securities Act") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S, except pursuant to exemption from, or in a transaction not subject to the registration requirements of US Securities Laws. Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US Securities Act and the applicable laws of the jurisdiction where those offers and sale occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction, The above information is given for the benefit of the Bidders.

The above information is given for the benefit of the Bidders. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Prospectus. Bidders are advised to make their independent investigations and ensure that the Bids are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.



SECTION VIII - MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to Schedule II to the Companies Act and the SEBI Regulations, the main provisions of our Articles relating, inter alia, to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles

Sr. No	Particulars	
1.	No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	Table F Applicable.
	Interpretation Clause	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	Act
	(b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	Articles
	(c) "Auditors" means and includes those persons appointed as such for the time being of the Company.	Auditors
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	Capital
	(e) "The Company" shall mean DIAMOND POWER TRANSFORMERS LIMITED	Company
	(f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a	Executor or Administrator



Sr. No		Particulars	
		Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	
	(g)	"Legal Representative" means a person who in law represents the estate of a deceased Member.	Legal Representative
	(h)	Words importing the masculine gender also include the feminine gender.	Gender
	(i)	"In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	In Writing and Written
	(j)	The marginal notes hereto shall not affect the construction thereof.	Marginal notes
	(k)	"Meeting" or "General Meeting" means a meeting of members.	Meeting or General Meeting
	(1)	"Month" means a calendar month.	Month
	(m)	"Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	Annual General Meeting
	(n)	"Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	Extra-Ordinary General Meeting
	(0)	"National Holiday" means and includes a day declared as National Holiday by the Central Government.	National Holiday
	(p)	"Non-retiring Directors" means a director not subject to retirement by rotation.	Non-retiring Directors
	(q)	"Office" means the registered Office for the time being of the Company.	Office
	(r)	"Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	Ordinary and Special Resolution
	(s)	"Person" shall be deemed to include corporations and firms as well as individuals.	Person
	(t)	"Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting on Poll and includes attorney duly constituted under the power of attorney.	Proxy



Sr. No	Particulars	
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	Register of Members
	(v) "Seal" means the common seal for the time being of the Company.	Seal
	(w) "Special Resolution" shall have the meanings assigned to it by Section 114of the Act.	Special Resolution
	(x) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	Singular number
	(y) "The Statutes" means the Companies Act, 2013and every other Act for the time being in force affecting the Company.	Statutes
	(z) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	These presents
	(aa) "Variation" shall include abrogation; and "vary" shall include abrogate.	Variation
	(bb) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	Year and Financial Year
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	Expressions in the Act to bear the same meaning in Articles
	CAPITAL	
3.	a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	Authorized Capital.
	b) The minimum paid up Share capital of the Company shall be Rs.1,00,000/- or such other higher sum as may be prescribed in the Act from time to time.	
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The	Increase of capital by the Company how carried into effect



Sr. No	Particulars	
	new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	New Capital same as existing capital
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	Non Voting Shares
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	Redeemable Preference Shares
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	Voting rights of preference shares
9.	On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions-shall take effect:	Provisions to apply on issue of Redeemable Preference Shares
	(a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption;	
	(b) No such Shares shall be redeemed unless they are fully paid;	
	(c) Subject to section 55(2)(d)(i) the premium, if any payable on redemption shall have been provided for	Page 302 of 354



Sr. No	Particulars	
	out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;	
	(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 55 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and	
	(e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital	
10.	The Company may (subject to the provisions of sections 52, 55, 56, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce	Reduction of capital
	 (a) the share capital; (b) any capital redemption reserve account; or (c) any security premium account In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted. 	
11.	Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.	Debentures
12.	The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class	Issue of Sweat Equity



Sr. No	Particulars	
51.1(0	of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.	Shares
13.	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	ESOP
14.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	Buy Back of shares
15.	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, subdivide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	Consolidation, Sub-Division And Cancellation
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	Issue of Depository Receipts
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	Issue of Securities
	MODIFICATION OF CLASS RIGHTS	
18.	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class.	Modification of rights



Sr. No	Particulars	
	The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.	
	Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.	
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	New Issue of Shares not to affect rights attached to existing shares of that class.
19.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	Shares at the disposal of the Directors.
20.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	Power to issue shares on preferential basis.
21.	The shares in the capital shall be numbered progressively according to their several denominations and except in the manner hereinbefore mentioned no share shall be subdivided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	Shares should be Numbered progressively and no share to be subdivided.
22.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any	Acceptance of Shares.



Sr. No	Particulars	
	shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	
23.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	Directors may allot shares as full paid-up
24.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by him, accordingly.	Deposit and call etc.to be a debt payable immediately.
25.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	Liability of Members.
26.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	Registration of Shares.
	RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT	
27.	The Board shall observe the restrictions as regards allotment of shares to the public and as regards return on allotments contained in Sections 39 of the Act.	
	CERTIFICATES	
28.	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for	Share Certificates.



Sr. No	Particulars	
	delivery such certificates within two months from the	
	date of allotment, unless the conditions of issue	
	thereof otherwise provide, or within one month of the	
	receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal	
	of any of its shares as the case may be. Every	
	certificate of shares shall be under the seal of the	
	company and shall specify the number and distinctive	
	numbers of shares in respect of which it is issued and	
	amount paid-up thereon and shall be in such form as	
	the directors may prescribe or approve, provided that	
	in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more	
	than one certificate and delivery of a certificate of	
	shares to one of several joint holders shall be	
	sufficient delivery to all such holder. Such certificate	,
	shall be issued only in pursuance of a resolution	,
	passed by the Board and on surrender to the Company	,
	of its letter of allotment or its fractional coupons of	
	requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of	
	bonus shares. Every such certificate shall be issued	
	under the seal of the Company, if any, which shall be	
	affixed in the presence of two Directors or persons	
	acting on behalf of the Directors under a duly	
	registered power of attorney and the Secretary or some	
	other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary	
	or other person shall sign the share certificate,	
	provided that if the composition of the Board permits	
	of it, at least one of the aforesaid two Directors shall	
	be a person other than a Managing or whole-time	
	Director. Particulars of every share certificate issued	
	shall be entered in the Register of Members against the name of the person, to whom it has been issued,	
	indicating the date of issue.	,
	(b) Any two or more joint allottees of shares shall, for the	,
	purpose of this Article, be treated as a single member,	,
	and the certificate of any shares which may be the	
	subject of joint ownership, may be delivered to	
	anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled,	
	but shall not be bound, to prescribe a charge not	,
	exceeding Rupees Fifty. The Company shall comply	,
	with the provisions of Section 39 of the Act.	,
	(c) A Director may sign a share certificate by affixing his	,
	signature thereon by means of any machine,	,
	equipment or other mechanical means, such as	,
	engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be	,
	responsible for the safe custody of such machine,	
	1	



Sr. No	Particulars	
	equipment or other material used for the purpose.	
29.	If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.50/for each certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.	Issue of new certificates in place of those defaced, lost or destroyed.
30.	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.	The first named joint holder deemed Sole holder.
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	Maximum number of joint holders.
31.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or	Company not bound to recognise any interest in share other than that of registered holders.



Sr. No	Particulars	
	survivors of them.	
32.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	Installment on shares to be duly paid.
	UNDERWRITING AND BROKERAGE	
33.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	Commission
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	Brokerage
	CALLS	
35.	 (1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments. 	Directors may make calls
36.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	Notice of Calls
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent	Calls to date from resolution.



Sr. No	Particulars	
	date as may be fixed by Directors.	
38.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	Calls on uniform basis.
39.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	Directors may extend time.
40.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	Calls to carry interest.
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	Sums deemed to be calls.
42.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was	Proof on trial of suit for money due on shares.



Sr. No	Particulars	
	made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	
43.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	Judgment, decree, partial payment motto proceed for forfeiture.
44.	(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance or upon so much thereof, from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.	Payments in Anticipation of calls may carry interest
	(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.	
	LIEN	
45.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless	Company to have Lien on shares.



nforcing lien by sale.
nforcing lien by sale.
nforcing lien by sale.
ation of proceeds of
or installment not otice may be given.



Sr. No	Particulars	
	any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	
49.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid.	Terms of notice.
	The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.	
50.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	On default of payment, shares to be forfeited.
51.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	Notice of forfeiture to a Member
52.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	Forfeited shares to be property of the Company and may be sold etc.
53.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	Members still liable to pay money owing at time of forfeiture and interest.



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54.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	Effect of forfeiture.
55.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	Evidence of Forfeiture.
56.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, reallotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	Title of purchaser and allottee of Forfeited shares.
57.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	Cancellation of share certificate in respect of forfeited shares.
58.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	Forfeiture may be remitted.
59.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity	Validity of sale



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	of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	Surrender of shares.
	TRANSFER AND TRANSMISSION OF SHARES	
61.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.	Execution of the instrument of shares.
	(b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	
62.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.	Transfer Form.
	The instrument of transfer shall be in a common form approved by the Exchange;	
63.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	Transfer not to be registered except on production of instrument of transfer.



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64.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register—	Directors may refuse to register transfer.
	(a) any transfer of shares on which the company has a lien.	
	That registration of transfer shall however not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever;	
65.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	Notice of refusal to be given to transferor and transferee.
66.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	No fee on transfer.
67.	The Board of Directors shall have power on giving not less than seven days pervious notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	Closure of Register of Members or debentureholder or other security holders
68.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	Custody of transfer Deeds.
69.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	Application for transfer of partly paid shares.
70.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the	Notice to transferee.



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	address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	
71.	 (a) On the death of a Member, the survivor or survivors, where the Member was a joint holder and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares. (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate (c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons. 	Recognition of legal representative.
72.	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 72 of the Act.	Titles of Shares of deceased Member
73.	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in	Notice of application when to be given



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	accordance with the provisions of Section 56 of the Act.	
74.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	Registration of persons entitled to share otherwise than by transfer. (transmission clause).
75.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	Refusal to register nominee.
76.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	Board may require evidence of transmission.
77.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company	Company not liable for disregard of a notice prohibiting registration of transfer.



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	shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	
78.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	Form of transfer Outside India.
79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	No transfer to insolvent etc.
	NOMINATION	
80.	i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Act shall apply in respect of such nomination.	Nomination
	ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Act read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014	
	iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination.	
	iv) If the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.	
81.	A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-	Transmission of Securities by nominee
	(i) to be registered himself as holder of the security, as the case may be; or	
	(ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made;	
	(iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be	



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	accompanied with the death certificate of the deceased security holder as the case may be;	
	(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.	
	Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.	
	DEMATERIALISATION OF SHARES	
82.	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	Dematerialisation of Securities
	JOINT HOLDER	
83.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	Joint Holders
84.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	Joint and several liabilities for all payments in respect of shares.
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	Title of survivors.
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	Receipts of one sufficient.
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any	Delivery of certificate and giving of notices to first



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	share shall be entitled to delivery of the certificate relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	named holders.
	SHARE WARRANTS	
85.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	Power to issue share warrants
86.	(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.	Deposit of share warrants
	(b) Not more than one person shall be recognized as depositor of the Share warrant.(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.	
87.	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.	Privileges and disabilities of the holders of share warrant
	(b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.	
88.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of	Issue of new share warrant coupons



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	defacement, loss or destruction.	
	CONVERSION OF SHARES INTO STOCK	
89.	The Company may, by ordinary resolution in General Meeting. a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.	Conversion of shares into stock or reconversion.
90.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	Transfer of stock.
91.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.	Rights of stock holders.
92.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	Regulations.
	BORROWING POWERS	
93.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business)	Power to borrow.



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	shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	
94.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	Issue of discount etc. or with special privileges.
95.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	Securing payment or repayment of Moneys borrowed.
96.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	Bonds, Debentures etc. to be under the control of the Directors.
97.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	Mortgage of uncalled Capital.
98.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the	Indemnity may be given.



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	Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	
	MEETINGS OF MEMBERS	
99.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	Distinction between AGM & EGM.
100.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	Extra-Ordinary General Meeting by Board and by requisition
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	When a Director or any two Members may call an Extra Ordinary General Meeting
101.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	Meeting not to transact business not mentioned in notice.
102.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	Chairman of General Meeting
103.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	Business confined to election of Chairman whilst chair is vacant.



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104.	a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.	Chairman with consent may adjourn meeting.
	b) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.	
	c) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.	
	d) Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	
105.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	Chairman's casting vote.
106.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	In what case poll taken without adjournment.
107.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	Demand for poll not to prevent transaction of other business.
	VOTES OF MEMBERS	
108.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	Members in arrears not to vote.
109.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a	Number of votes each member entitled.



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	poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	
110.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	Casting of votes by a member entitled to more than one vote.
111.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy.	Vote of member of unsound mind and of minor
112.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	Postal Ballot
113.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	E-Voting
114.	 a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof. b) For this purpose, seniority shall be determined by the order in which the names stand in the register of 	Votes of joint members.
115.	wembers. Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles and as per provisions	Votes may be given by proxy or by representative



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	of the Act.	
116.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	Representation of a body corporate.
117.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	Members paying money in advance.
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	Members not prohibited if share not held for any specified period.
118.	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	Votes in respect of shares of deceased or insolvent members.
119.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	No votes by proxy on show of hands.



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120.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	Appointment of a Proxy.
121.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	Form of proxy.
122.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	Validity of votes given by proxy notwithstanding death of a member.
123.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.	Time for objections to votes.
124.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	Chairperson of the Meeting to be the judge of validity of any vote.
	DIRECTORS	
125.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution	Number of Directors
126.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	Qualification shares.
127.	(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement.	Nominee Directors.



Sr. No	Particulars	
	(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.	
	(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.	
	(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.	
128.	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	Appointment of alternate Director.
129.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	Additional Director
130.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place	Directors power to fill casual vacancies.



Sr. No	Particulars	
	he is appointed would have held office if it had not been vacated by him.	
131.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	Sitting Fees.
132.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	
	PROCEEDING OF THE BOARD OF DIRECTORS	
133.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit.(b) A director may and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	Meetings of Directors.
134.	 a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time. 	Chairperson
135.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	Questions at Board meeting how decided.
136.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that	Continuing directors may act notwithstanding any vacancy in the Board



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	fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.	
137.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	Delegation of Powers to committee.
138.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	Committee Meetings how to be governed.
139.	a) A committee may elect a Chairperson of its meetings.b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	Chairperson of Committee Meetings
140.	 a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote. 	Meetings of the Committee
141.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	Acts of Board or Committee shall be valid notwithstanding defect in appointment.
	RETIREMENT AND ROTATION OF DIRECTORS	



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142.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.	Power to fill casual vacancy
	POWERS OF THE BOARD	
143.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	Powers of the Board
144.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	Certain powers of the Board
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	To acquire any property , rights etc.
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	To take on Lease.
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought	To erect & construct.



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		advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	
	(4)	At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	To pay for property.
	(5)	To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or cojointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	To insure properties of the Company.
	(6)	To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	To open Bank accounts.
	(7)	To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	To secure contracts by way of mortgage.
	(8)	To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	To accept surrender of shares.
	(9)	To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or	To appoint trustees for the Company.



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	in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	
	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	To conduct legal proceedings.
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	Bankruptcy &Insolvency
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	To issue receipts & give discharge.
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	To invest and deal with money of the Company.
	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	To give Security by way of indemnity.
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	To determine signing powers.
	(16) To give to any Director, Officer, or other persons	Commission or share in



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	employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	profits.
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	Bonus etc. to employees.
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	Transfer to Reserve Funds.
	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries,	To appoint and remove officers and other



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	assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	employees.
	(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	To appoint Attorneys.
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	To enter into contracts.
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its	To make rules.



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	Officers and employees.	
	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	To effect contracts etc.
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	To apply & obtain concessions licenses etc.
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	To pay commissions or interest.
	(26) To redeem preference shares.	To redeem preference shares.
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	To assist charitable or benevolent institutions.
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.	
	(29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	
	(30) To provide for the welfare of Directors or ex- Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations,	



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	institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	(31) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.	
	(32) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.	
	(33) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.	
	(34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.	
	(35) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.	
	(36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and	Dana 229 of 254



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	upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.	
	(37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.	
	(38) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.	
	MANAGING AND WHOLE-TIME DIRECTORS	
145.	 a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. b) The Managing Director or Managing Directors or 	Powers to appoint Managing/ Wholetime Directors.
	b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such reappointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.	
146.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	Remuneration of Managing or Wholetime Director.
147.	(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of	Powers and duties of Managing Director or Whole-time Director.



Sr. No	Particulars	
Sr. No	Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board. (2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers. (3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Directors or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles. (4) The Managing Director shall be entitled to subdelegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit. (5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.	
	Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer	
148.	 a) Subject to the provisions of the Act,— i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a 	Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer



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	resolution of the Board;	
	 A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. 	
	b) A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.	
	THE SEAL	
149.	(a) The Board, if so resolved, may or may not provide a Common Seal for the purposes of the Company and if provided have power from time to time to destroy the same and substitute a new Seal in lieu thereof and the Board shall provide for the safe custody of the Seal for the time being and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.	The seal, its custody and use.
	(b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.	
150.	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf and except in the presence of any one directors and of the secretary or such other person as the Board may appoint for the purpose; and those director and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	Deeds how executed.
	Dividend and Reserves	
151.	 Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid 	Division of profits.



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	on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.	
152.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	The company in General Meeting may declare Dividends.
153.	 a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit. b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve. 	Transfer to reserves
154.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	Interim Dividend.
155.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	Debts may be deducted.
156.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	Capital paid up in advance not to earn dividend.
157.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	Dividends in proportion to amount paid-up.



Sr. No	Particulars	
158.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	Retention of dividends until completion of transfer under Articles .
159.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.
160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	Effect of transfer of shares.
161.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	Dividend to joint holders.
162.	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.	Dividends how remitted.
	b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	
163.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	Notice of dividend.
164.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	No interest on Dividends.
	CAPITALIZATION	
165.	 The Company in General Meeting may, upon the recommendation of the Board, resolve: that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the 	Capitalization.



			/
Sr. No		Particulars	
	(b)	Profit and Loss account, or otherwise available for distribution; and that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if	
	(2) (i)	distributed by way of dividend and in the same proportions. The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards: paying up any amounts for the time being unpaid on any shares held by such members respectively;	
	(ii) (iii)	paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or	
	(3)	in that specified in sub-clause (ii). A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the	
	(4)	Company and fully paid bonus shares. The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.	
166.	(1)	Whenever such a resolution as aforesaid shall have been passed, the Board shall —	Fractional Certificates.
	(a)	make all appropriations and applications of the undivided profits resolved to be capitalized thereby and all allotments and issues of fully paid shares, if any, and	
	(b)	generally to do all acts and things required to give effect thereto.	
	(2)	The Board shall have full power -	
	(a)	to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also	
	(b)	to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.	
	(3)	Any agreement made under such authority shall be	
	j	effective and binding on all such members.	Page 344 of 354



Sr. No	Particulars	
	(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.	
167.	 The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges. Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof. 	Inspection of Minutes Books of General Meetings.
168.	 a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors. b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting. 	Inspection of Accounts
	FOREIGN REGISTER	
169.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	Foreign Register.
	DOCUMENTS AND SERVICE OF NOTICES	
170.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	Signing of documents & notices to be served or given.
171.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and	Authentication of documents and proceedings.



Sr. No	Particulars	
	need not be under the Common Seal of the Company.	
	WINDING UP	
172.	Subject to the provisions of Chapter XX of the Act and rules made thereunder— (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not. (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	
	INDEMNITY	
173.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	Directors' and others right to indemnity.
174.	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any	Not responsible for acts of others



Sr. No	Particulars	
	property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	
	SECRECY	
175.	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	Secrecy
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	Access to property information etc.



SECTION IX – OTHER INFORMATION MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of the Draft Prospectus) which are or may be deemed material will be attached to the copy of the Prospectus which will be delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder may be inspected at the Registered Office of our Company located at 101/B/7, G.I.D.C Estate, Ranoli, Baroda, Gujarat- 390350, India from date of filing the Prospectus with RoC to Offer Closing Date on all Working Days from 10.00 a.m. to 5.00 p.m.

A. Material Contracts

- 1. Offer Agreement dated January 25, 2016 between our Company, Selling Shareholder and the Lead Manager.
- 2. Banker to the Offer Agreement dated January 25, 2016 between our Company, the Lead Manager, the Selling Shareholder, Banker to the Offer and Registrar to the Offer.
- 3. Registrar Agreement dated January 25, 2016 between our Company, the Selling Shareholder and the Registrar to the Offer.
- 4. Share escrow agreement dated [•] between our Company, the Selling Shareholders and the Escrow Agent.
- 5. Underwriting Agreement dated January 25, 2016 between our Company, the Selling Shareholder and the Underwriter viz. the Lead Manager.
- 6. Market Making Agreement dated [●] between our Company, Market Maker and the Lead Manager.
- 7. Tripartite agreement among the NSDL, our Company and Registrar to the Offer dated [•].
- 8. Tripartite agreement among the CDSL, our Company and Registrar to the Offer dated [•].

Material Documents

- 1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
- 2. Resolution of the Board of Directors of our Company dated December 19, 2015 authorizing the Offer
- 3. Special Resolution of the shareholders of our Company passed at the EGM dated February 2, 2016 authorizing the Offer.
- 4. Resolution of the Board of Directors of the Selling Shareholder, DPIL dated May 31, 2015, in relation to the Offer and other related matters.
- 5. Consent letter by the Managing Director of the Selling Shareholder, DPIL dated January 11, 2016.
- 6. Statement of Tax Benefits dated February 5, 2016 issued by our Peer Reviewed Auditor M/s. Ramanand & Associates, Chartered Accountants.
- 7. Report of the Peer Reviewed Auditor, M/s. Ramanand & Associates, Chartered Accountants, dated February 5, 2016 on the Restated Financial Statements for the period ended September 30, 2015 and for the financial year ended as on March 31, 2015, 2014, 2013, 2012 & 2011 of our Company.
- 8. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Chief Financial Officer, Statutory Auditors, Peer Reviewed Auditors, Legal Advisor to the Offer, the Lead Manager, Registrar to the Offer, Underwriter, Market Maker, Banker to the Offer to act in their



respective capacities.

- 9. Copy of approval from BSE Limited *vide* letter dated [●], to use the name of BSE in this offer document for listing of Equity Shares on SME Platform of BSE Limited.
- 10. Due Diligence Certificate dated [●] from Lead Manager to BSE Limited.
- 11. Copy of the agreement dated January 25, 2016 for appointing Amit Bhatnagar as Managing Director of our Company.

None of the contracts or documents mentioned in this Draft Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, as the case may be, have been complied with and no statement made in the Draft Prospectus is contrary to the provisions of the Companies Act, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Draft Prospectus are true and correct.

Signed by the all the Directors, Chief Financial Officer and Company Secretary and Compliance Officer of our Company

Name and designation	Signature
Amit Bhatnagar Chairman & Managing Director	Sd/-
Sumit Bhatnagar Director	Sd/-
Nivedita Pandya Director	Sd/-
Ashok Kumar Singh Independent Director	Sd/-
Ashok Kumar Krishan Singh Gautam Independent Director	Sd/-
Rajendrakumar Patel Independent Director	Sd/-

Signed by Chief Financial Officer and Company Secretary and Compliance Officer of the Company

Sd/-	Sd/-
Sunil Parikh	Komal Tiwari
Chief Financial Officer	Company Secretary & Compliance Officer

Date: February 9, 2016 Place: Vadodara



DECLARATION

Diamond Power Infrastructure Limited certifies that all statements expressly made or confirmed by it in this Draft Prospectus about and in relation solely to itself and the Equity Shares being offered by it in the Offer for Sale, are true and correct. Diamond Power Infrastructure Limited assumes no responsibility for any other statements, including, inter-alia, any of the statements made by or relating to the Company, other Selling Shareholders, their respective businesses or by any expert or other persons in this Draft Prospectus.

Signed on behalf of Selling Shareholder

Sd/-

Name: Amit Bhatnagar

Designation: Managing Director

(Authorised Signatory)

Date: February 9, 2016

Place: Vadodara



Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Jet Infraventure Limited	4.50	125.00	November 25, 2014	130.00	2.40% (-3.87%)	1.60% (2.25%)	1.60% (-5.30%)
2.	Supreme (India) Impex Limited	7.87	60.00	March 31, 2015	62.00	4.17% (-3.65%)	15.83% (-2.03%)	16.33% (-3.69%)
3.	Filtra Consultants and Engineers Limited	3.11	42.00	April 15, 2015	42.80	2.38% (-5.12%)	1.19% (-3.01%)	-8.93% (-5.18%)
4.	Ambition Mica Limited	4.29	40.00	July 14, 2015	45.00	11.25% (-1.37%)	42.50% (-3.68%)	43.75% (-11.12%)
5.	Jiya Eco-Products Limited	4.58	19.00	July 16, 2015	21.75	46.84% (-2.00%)	30.00% (-5.86%)	26.58% (-13.23%)
6.	M.D. Inducto Cast Limited	17.23	27.00	July 16, 2015	28.10	48.33% (-2.00%)	85.19% (-5.86%)	68.15% (-13.23%)
7.	Majestic Research Services and Solutions Limited	1.428	12.75	July 16, 2015	14.00	225.10% (-2.00%)	274.90% (-5.86%)	622.75% (-13.23%)
8.	Mangalam Seeds Limited	5.70	50.00	August 12, 2015	55.00	15.20% (-6.87%)	65.10% (-5.98%)	44.50% (-11.72%)
9.	Sri Krishna Constructions	11.34	45.00	October 01, 2015	39.90	-2.22% (1.66%)	-0.89% (-1.00%)	NA



Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing	
	(India) Limited								
10.	Patdiam Jewellery			October 16,					
10.	Limited	5.0046	38.00	2015	43.00	61.84% (-5.34%)	63.03% (-8.97%)	NA	

Sources: All share price data is from www.bseindia.com and www.nseindia.com

Note:-

- 1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
- 2. Prices on BSE/NSE are considered for all of the above calculations
- 3. In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered
- 4. In case 30th/90th/180th days, scrips are not traded then last trading price has been considered.
- 5. As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (Initial Public Offers) managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by the lead manager are provided.



SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO		Nos of IPOs trading at discount on 30 th Calendar day from listing date			Nos of IPOs trading at premium on 30 th Calendar day from listing date			Nos of IPOs trading at discount on 180 th Calendar day from listing date			Nos of IPOs trading at premium on 180 th Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
13-14	1	6.855	-	-	-	-	1	-	-	-	-	-	1	-
14-15	**5	56.844	-	-	1	-	-	5	-	-	-	-	2	3
15-16	***8	52.70	-	-	1	2	2	3	-	-	1#	2	3	-

^{*}The scripts of Si. Vi. Shipping Corporation Limited was listed on March 6, 2014.

The Scripts of Sri Krishna Constructions (India) Limited and Patdiam Jewellery Limited have not completed 180 calendar Days from Listing date.

^{**}The scripts of Women's Next Loungeries Limited, Ultracab (India) Limited, Momai Apparels Limited, Jet Infraventure Limited and Supreme(India) Impex Limited were listed on April 21, 2014, October 10, 2014, October 16, 2014, November 25, 2014, and March 31, 2015.

^{***}The Scripts of Filtra Consultants and Engineers Limited, Ambition Mica Limited, Jiya Eco Products Limited, M.D. Inducto Cast Limited, Majestic Research Services and Solutions Limited, Mangalam Seeds Limited, Sri Krishna Constructions (India) Limited and Patdiam Jewellery Limited were listed on April 15, 2015, July 14, 2015, July 16, 2015, July 16, 2015, July 16, 2015, August 12, 2015, October 01, 2015 and October 16, 2015 respectively.