


FORM A

01	Name of the Company	M/s Diamond Power Infrastructure Limited LTd
02	Annual Financial Statements for the ended	31 st March, 2014
03	Type of Qualification	Un-Qualified
04	Frequency of Qualification	Not Applicable.

Chairman

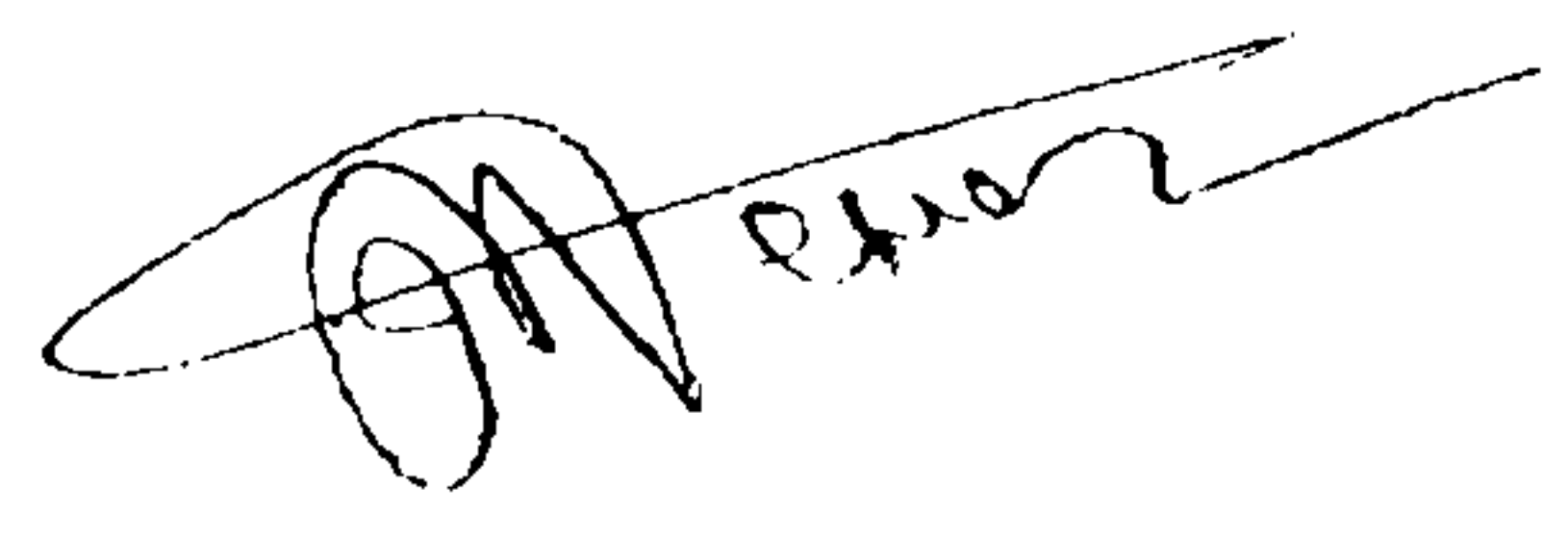

S N Bhatnagar

Managing Director


Amit Bhatnagar

Ranyirsingh Shekhawat


Chairman of Audit Committee


Vijay & Tewar Co,
Chartered Accountant

M.No: 40676



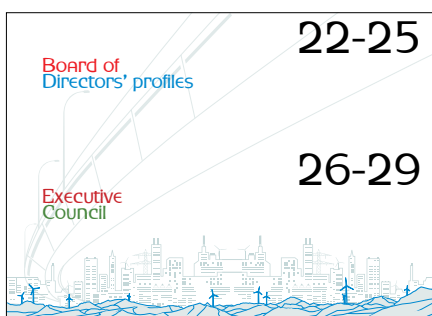
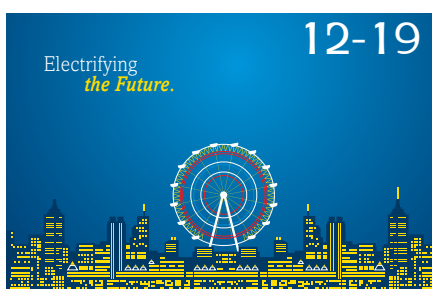
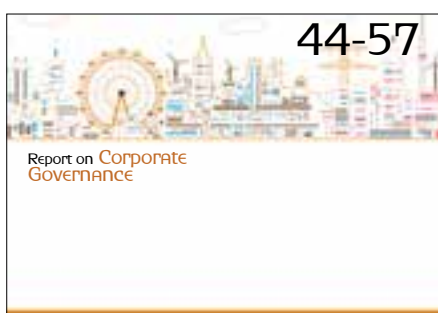
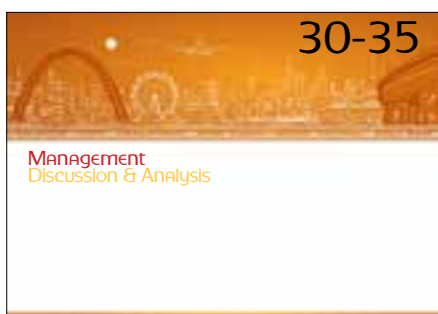
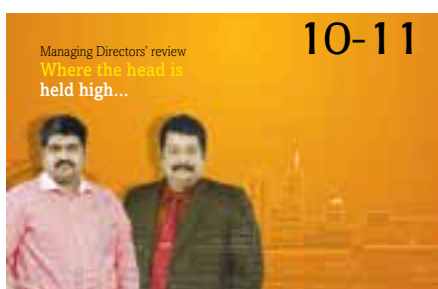
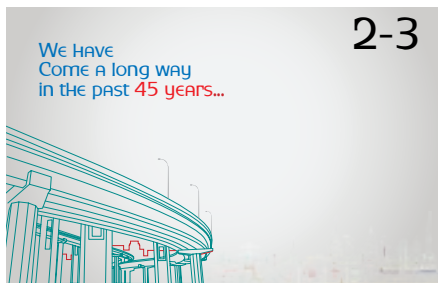
2013 - 14
ANNUAL REPORT

DIAMOND POWER
INFRASTRUCTURE LIMITED

electrifying the future



Headlights



Forward Looking Statement

In this Report, we have disclosed forward-looking information to enable investors to fully appreciate our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward-looking statements that set our anticipated results based on the Management's plan and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'project', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot, of course, guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Beyond immediate challenges lies a future.

A tomorrow that resembles a million possibilities to success, to empower and to excel.

The key to a successful business model is neither to lose sight of the immediate challenges nor to lose out focus on the vision for the future.

This is the tight-rope walk which every company is required to walk, in its quest to evolve from good to better.

At Diamond Power Infrastructure, we have continued to improve our pace despite a weak economy, slowdown in infrastructure spends and uncertain macro environment.

Today, having crossed the obstacles and in the process, created a robust business model. We are attractively poised not only to capitalize on promising opportunities that continue to unfold in the Indian power sector but more importantly,

*also for **Electrifying the Future.***



We HAVE Come A long way in the past **45** years...

- # India's only and fifth in the world to manufacture EHV cables
- # Among the few integrated companies in the Power transmission and distribution, having presence across the value chain.
- # Among the five largest cable manufacturers in India
- # Among the three largest conductor manufacturers in India
- # Among the fast-growing transformers manufacturers in India



The milestones

1970



Established operations

1971



Established a Conductor Manufacturing unit

1995



Setup an LV Cables Manufacturing unit

1999



Setup an Aluminium Rod Mill

2006



Setup the EPC Business

2007



Acquired Western Transformers

2008



Setup HV Cables manufacturing unit up to 132 KV

2010



Capacity Expansion of LV & HV Cables units

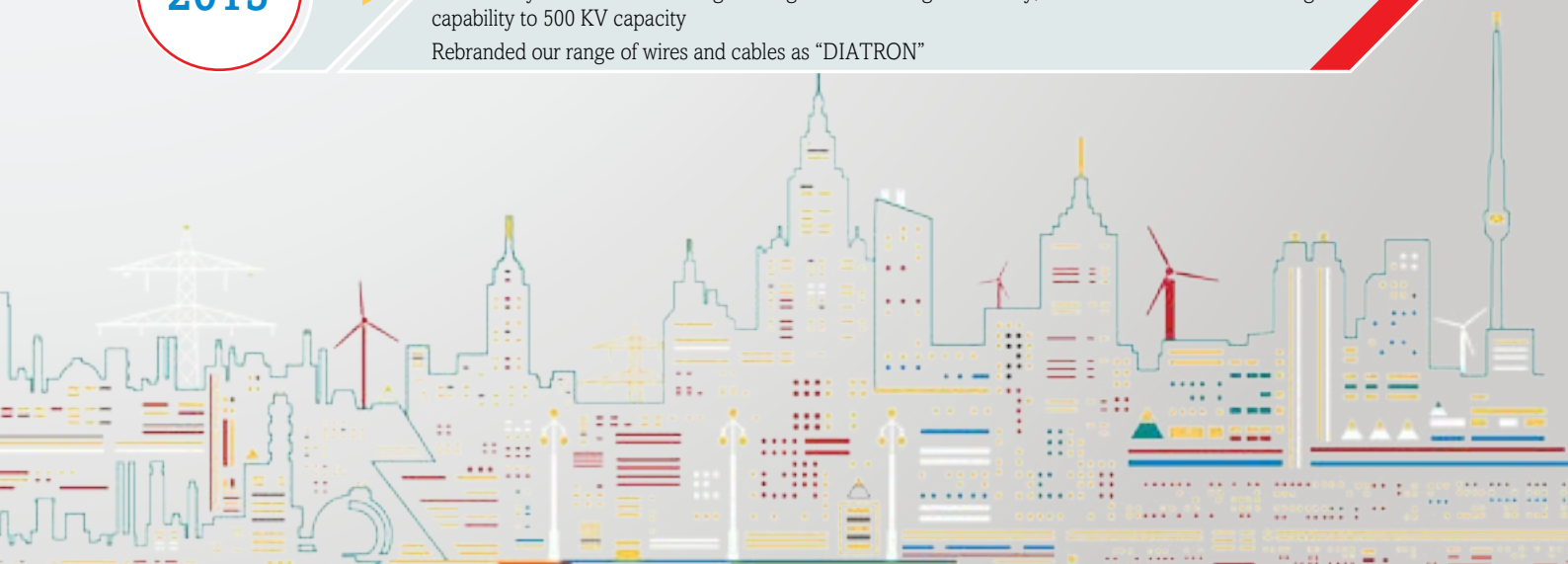
2011

Setup EHV Cables Manufacturing up to 550 KV
Setup Transmission Tower unit












2012

Acquired controlling stake in Danke Controls
Acquired strategic stakes in Maktel Control & System Pvt. Ltd.
Commenced production of Power Transformers and control & relay panels
Successfully commissioned 6.3 MW of wind energy at Jamanwada, Kutch

2013

Acquired strategic stake in M/s Maktel Control & Systems, India's leading power and control panel manufacturer
Successfully established Ultra High Voltage Cable Testing Laboratory, a first of its kind in India having a capability to 500 KV capacity
Rebranded our range of wires and cables as "DIATRON"

OUR PRODUCTS AND CAPACITIES

Power	EPC services	Special projects
<ul style="list-style-type: none">  Conductors upto 765 KV  Transformers (Power and Distribution) upto 220 KV  Cables (Low Tension, High Tension and Extra High Voltage) upto 550 KV  Transmission towers  Relay control panel  Unitised substations 	<ul style="list-style-type: none">  Plan, design and commission power turnkey transmission and distribution projects 	<p>Customisation and execution of:</p> <ul style="list-style-type: none">  Overhead transmission line projects  Substation projects  Rural & urban distribution projects  Cable testing facility up to 500 kV

Product	Existing Capacities Per Annum
Rods	
Aluminium and alloy rods	32000 MT
Conductors	
Alloy and ASCR conductors	50,500 MT
Power cables	
LV XLPE Power & Control cables	34300 KMS
MV cables up to 66 KV	5,600 KMS
EHV cables 220-550 KV	2000 KMS
Power transformers	
40-315 MVA up to 220 KV	7500 MVA
5-40 MVA up to 220 KV	2500 MVA
Distribution transformers	
Up to 5 MVA	2500 MVA
Transmission towers	48000 MT





OUR BRANDS



CERTIFICATION

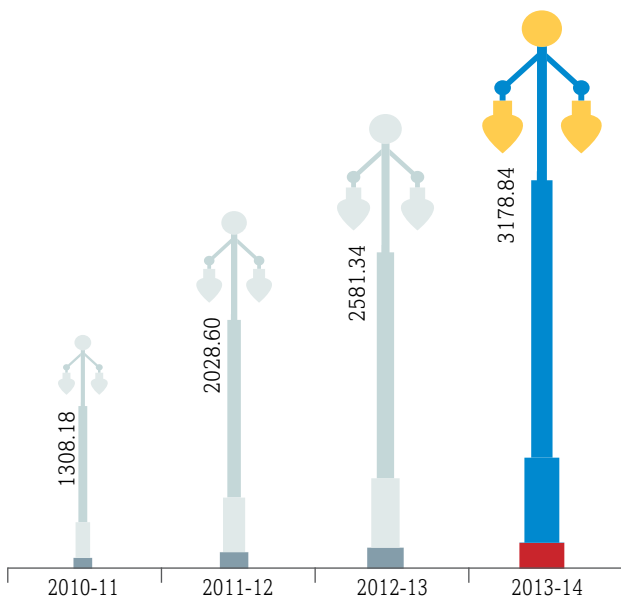
ISO 9001:2008

ISO 14001

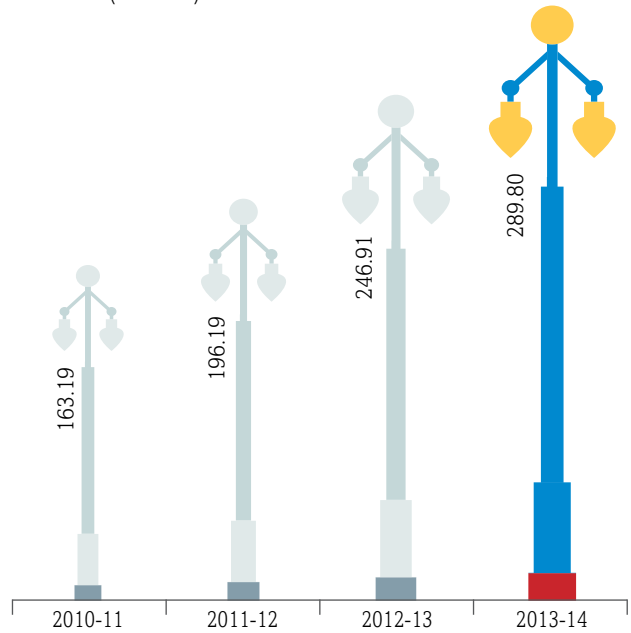


Our Numbers Speak Louder...

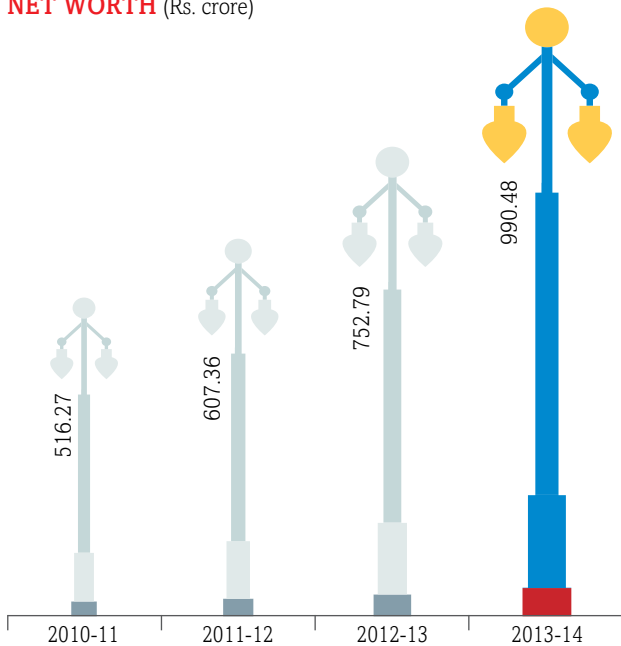
NET REVENUES (Rs. crore)



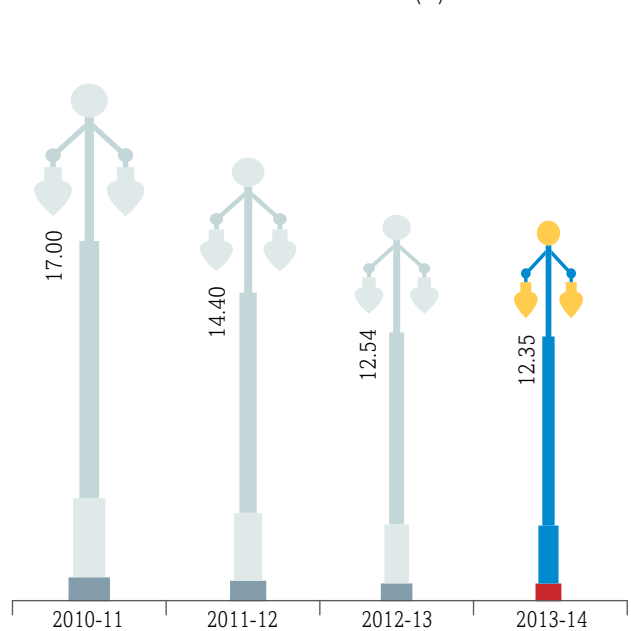
EBIDTA (Rs. crore)



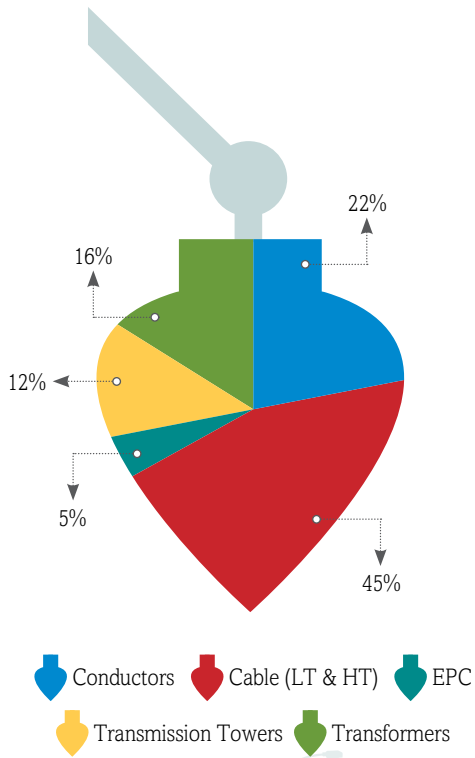
NET WORTH (Rs. crore)



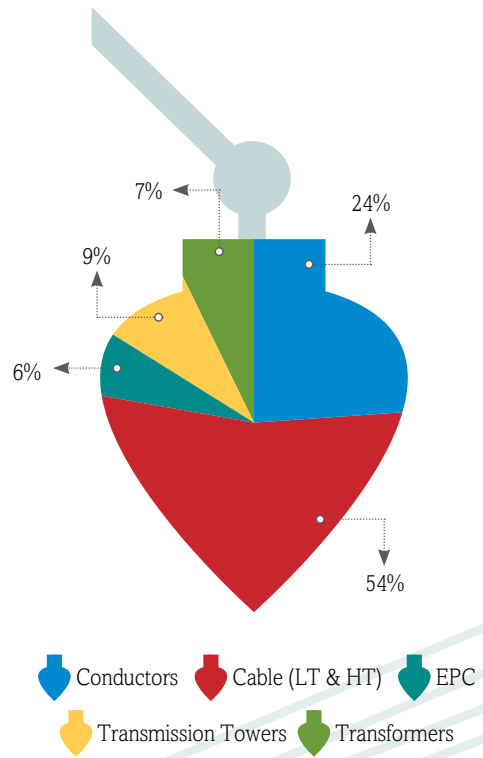
RETURN ON CAPITAL EMPLOYED (%)



DIVISIONAL REVENUES - 2013-14



EBIDTA - 2013-14



Chairman's overview

Where the mind is **WITHOUT FEAR...**



We will lead for responsible growth, inspiring people to take small everyday actions that will add up to a big difference.

In the year ahead, the business environment will continue to remain challenging and competitive intensity is likely to remain high. With our purpose driven brands, passionate employees and your continued support, I am confident that we will continue to deliver growth that is consistent, competitive, profitable and responsible.

We continue to focus on attracting, retaining and developing the best talent. For us, sustainable, equitable growth is the only acceptable business model. Business needs to be a regenerative force in the system that gives it life. For example, by reducing waste we create efficiencies and reduce costs, helping to improve margins while reducing risk. Meanwhile, looking at more sustainable ways of developing products, sourcing and manufacturing opens up opportunities for innovation while improving the livelihoods of our suppliers.

Dear Shareholders,

The financial year ended on March 2014, was another successful year, where despite a challenging environment; our business grew well ahead of competition. Several innovations were launched to meet the emerging needs and aspirations of our consumers. We expanded our reach and further strengthened our distribution so that we can serve our consumers better with our wide range of product offerings.

Every Business evolves as it grows, add customers, introduces new products enters new market and forays into new business segment. And once in a while, the business context changes significantly, making it imperative for the business to transform itself and adapt to the change.

As we said, our people are our strength and competitive advantage, and we would like to thank everyone at Diamond for their great efforts in contributing to another year of progress for the Group. Wherever you are in the world, whatever challenges you have been facing, your commitment has been unwavering.

I would like to thank, all our shareholders, for your trust and your wholehearted support.

SN Bhatnagar, *Chairman*

Managing Directors' review

Where the head is held high...

Dear Shareholders,

2013-14 was the year of strengthening the foundations. Having built an integrated business model with synergic product mix over the years, 2013-14 was a crucial year for us in terms of stabilizing the operations within the company.



At Diamond Power, we have always believed that while it is important to consistently find new avenues of growth; it is more important to ensure the existing lines of businesses don't witness erosion – both, in terms of customer trust and brand equity.

Having grown at a breakneck speed since past five years, 2013-14 was therefore a year of revisiting the basics. To this end, we continued to innovate with élan. Be it addressing the impact of rising input cost across divisions to controlling non-core expenditure leading to improved margins; to improving quality across divisions to sustain the premiums and market share in an increasingly competitive space. Therefore the focus was on streamlining and consolidating our manufacturing processes to improve economies and efficiencies.

Our investments in a diversified yet synergic business model continued to define our growth strategy. Having established our presence in the value chain from conductors to cables (HT, LT and EHV), to switchgears to transformers to transmission towers and EPC projects – we also benefited from the brief upturn in the power sector's investment cycle in India during the year under review. The numbers therefore depict the culminated efforts put together by Team Diamond Power over the years.

We have made conscious efforts of not to be complacent. Therefore, we have ensured continuous efforts into not only improving flexibility in our operations, capacities and ability to customize products to suit the end user; but more importantly, we have also started making inroads into promising markets overseas through dedicated set-ups.

India, being at the core of our operations, presents an unparalleled opportunity in terms of power sector investments. We believe that the sector will witness far more traction in terms of investments and order flow, with both the public and private sectors raising the pitch in light of tremendous social and economic benefits to the country. We being placed in the T&D segment anticipate sustained orders and greater demand for import substitution products. EHV cables and testing centres are a step in that direction and open a whole new market for us to explore. We would continue to aim at newer products which not only add value to our product mix but also creates new demand centres in the existing markets.

In February 2014, we commissioned the first phase of capacity expansion in medium voltage cables and conductors. We completed the expansion plan in July 2014. The impact of the initiative taken will translate in to better numbers going forward.

We would like to thank our stakeholders, investors, employees and customers for their unstinted support. We remain confident in the effectiveness of our present efforts to translate into better results going forward.

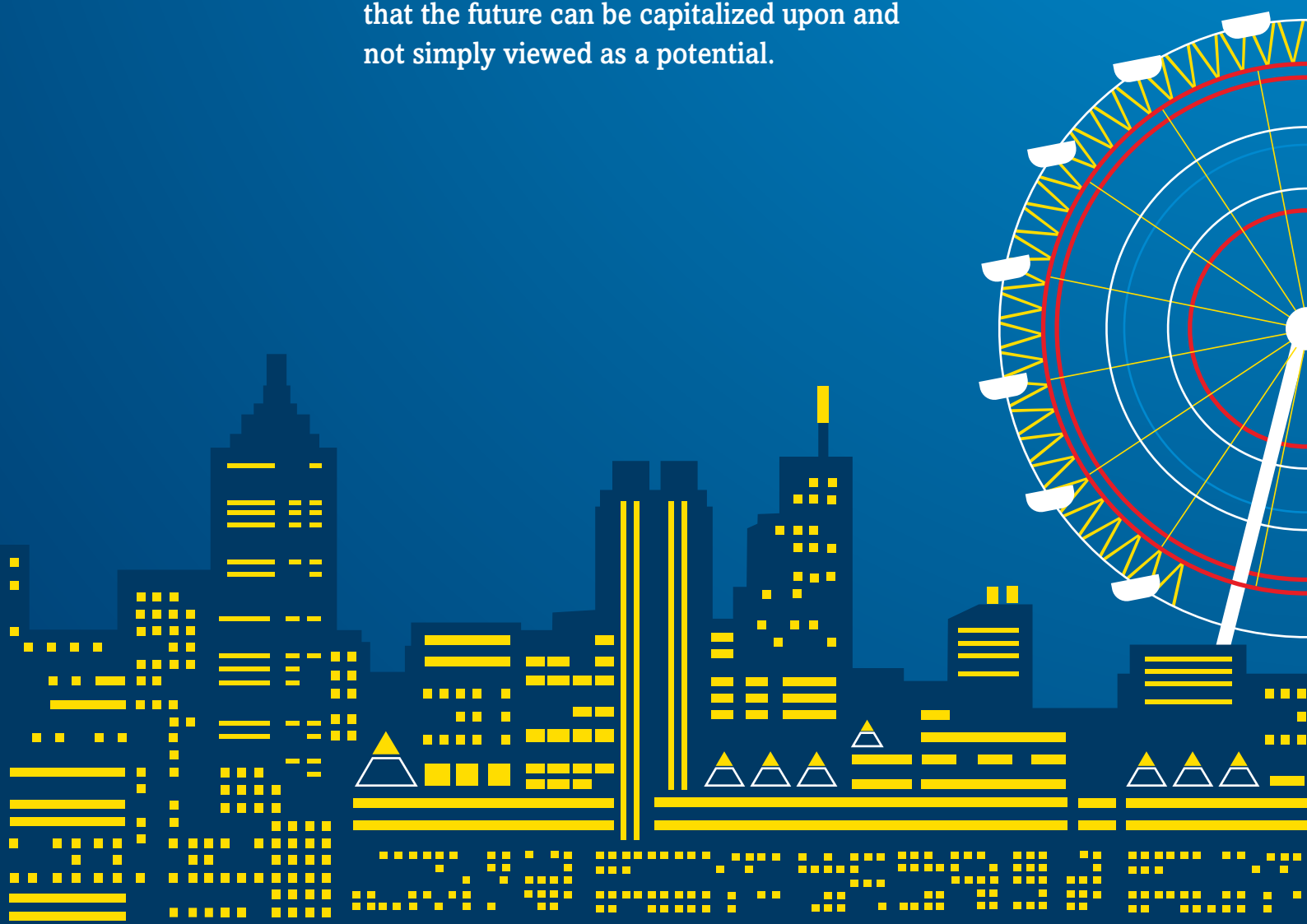
Amit Bhatnagar,
Managing Director

Dr. Sumit Bhatnagar
Joint Managing Director



Electrifying *the Future.*

Future is built one day at a time. At Diamond Power, we have not only aimed at being relevant when the future arrives; but to lead the future itself. Therefore, we have been relentlessly investing into our products, capacities, people, presence and brands – so that the future can be capitalized upon and not simply viewed as a potential.



India has entered into 2014, brimming with optimism and energy. The youth in the country have demonstrated their power in more than one ways, which bodes well for a country. Power is only potent when it is consistent and stable. In our own way, we at Diamond Power have been leading the mission of ensuring superior quality of transmission and distribution of power across the country – be it by creating efficient and economical products or by offering single-window solutions as an EPC player. 2014 also set into motion, the long-awaited investments cycles in power sector. Till August 2014, more than USD 2.6 billion were invested into the sector. With more than 300 million Indians awaiting access to power and a billion demanding consistent and quality power; the stage is set for the sector to revolutionise the nation's growth and aspirations in the coming years.

At Diamond Power, we too are thrilled to be part of this revolution. Having evolved into an integrated player in T&D sector, we have secured our value proposition as a solutions expert having presence across products comprising ~80% of the cost of EPC projects



The background features a stylized, abstract graphic of a city skyline and infrastructure. It includes yellow and white outlines of buildings, a power transmission tower, and wind turbines. A prominent yellow street lamp pole curves across the left side of the page. The overall color palette is dominated by shades of orange and yellow.

Enabling new *possibilities.*

Eleanor Roosevelt once said, “The future belongs to those who believe in the beauty of their dreams.” At Diamond Power, we have not only believed in the beauty of our dreams but have persisted against all odds to transform them into reality. The quest to improve has led our growth strategy.

Commenced operations with the manufacturing of conductors, we have slowly yet surely emerged as a full-circle power EPC company.

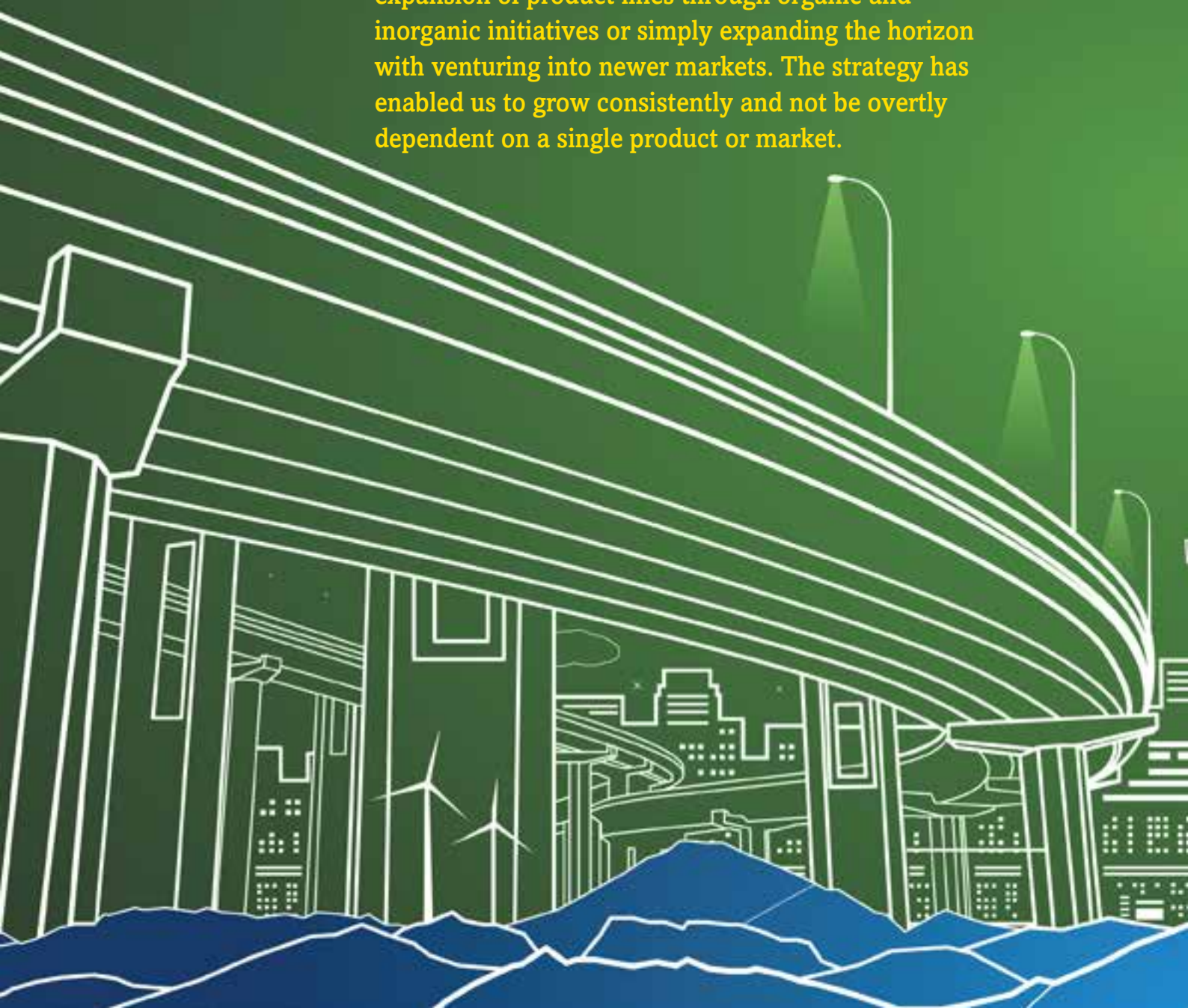
Resting on past laurels is the first sign of danger. Therefore, at Diamond Power, we have always emphasized on getting on to the next growth opportunity. We focused on two important facets in 2013-14, which we believe would contribute substantially to the growth in the coming years. First, we anticipated higher demand in the segments of presence owing to the huge consumption opportunity and population that exists in the country. India, being the second most populous state has a dismal record as far as power infrastructure is concerned. Even though in the last decade 280 million Indians gained access to electricity, the state of power cuts, power thefts and consistency is alarming. India in order to grow has to be electrified and continuously supplied with power. Sensing the opportunity, we introduced EHV Cables in 2012, which is increasingly playing a role in enabling higher penetration. In 2013-14, we embarked on an expansion program of Rs. 753 crore, thereby inducting Medium Voltage cables in our portfolio and also improving the capacities in conductor division.

The second avenue that we concentrated on was fortifying our testing facilities. Quality power is facilitated by the quality of equipment commissioned to produce, transmit and distribute it. Company's state of the art modern Ultra-high voltage testing laboratory at Vadadala enables us to rate the quality of transformers and ancillary equipment in a more efficient and economical way. The laboratory is one of its kinds in India in terms of capability to carry out regular and type-testing facilities for working voltages upto 1200 KV.



Enlightening new *opportunities.*

Milton Berle once said, “If opportunity doesn’t knock, build a door.” At Diamond Power, we have always believed in creating newer opportunities – be it through expansion of product lines through organic and inorganic initiatives or simply expanding the horizon with venturing into newer markets. The strategy has enabled us to grow consistently and not be overly dependent on a single product or market.



Take 2013-14. Being once a conductor company only, today our revenues from the segment account for 22%. Our timely investments in cables across ranges – low, high, extra high and now mid voltage has given us not only an edge to expand to newer customers across markets, but has enabled us establish a credible brand in Diatron. Cables account for 45% of the total revenues and commanded the highest EBIDTA margins at 10.9%. The year 2013-14 witnessed substantial improvement in transformer and transmission tower businesses. The transformers accounted for 16% of the revenues and registered a growth of 37% y-o-y. In the meantime, the transmission towers accounted for 12% of the total revenues and registered a growth of 49% y-o-y. The company's EPC division accounted for 5%, on account of high input costs and high competition. Our strategic stakes in reputed companies like Utkal Galvanizers (EHV Power Transmission and street lighting solutions), Danke Control (isolators) and Maktel Control & Systems (Electrical Panels, Consoles & Marshaling Kiosk, Control Cabinet, Control Panels and MV Switchgear Panels) will also enable us capitalize upon the growth triggers going forward.


We have also taken concerted efforts in venturing into newer markets. Our foray in Dubai with a marketing office is leading our strategy in this direction. We have also continue to participate in tenders across diverse geographies including, Kenya, Zimbabwe, Ethiopia, Mozambique, Zimbabwe, etc. and expect the same to capitalize into sustainable gains.



Empowering new *aspirations.*

Oscar Romero once said, “Aspire not to have more, but to be more.” At Diamond Power, we take pride in our ability to perform against all odds. For believe the true test for the aspiring is to compare the achievements to none other but one’s own potential.





Towards this end, we continue instill a culture of sustained improvement across our divisions. We have continued to implement a stringent cost control mechanism led by state-of-the-art EPR network. A combination of analysis and self-imposed checks across key positions ensure that the divisional costs don't exceed the budgets without remotely impairing quality parameters. Innovation is not solely limited to the products but to processes and a strong between the management and employees ensure that innovation is practiced across all spheres of operations. A continuous eye on possibilities and improvement has inspired a culture of openness and transparency. Coupled with continuous investment into world-class technology and people skills, the company has been able to expand the proposition of research and development from the lab to all corners of the organization. Some of the best selling products at Diamond Power have been envisioned and improved at the shop floor, thereby sustaining the faith in inspiring creativity at workplace.

The company employs 3000 dedicated people who play a substantial role in their own capacity, everyday, enabling the company to grow by leaps and bounds. The company has continued to nurture, identify, reward and retain crucial talent across its divisions and provide the deserving employees with a fast track career path.



CSR @ Diamond Power

We are more than what we do.

Diamond Power actively supports the causes of education, health and environment among all the communities it works with. At the same time, it inspires its representatives and stakeholders to play a constructive role in creating a better world through their personal and business initiatives.

Bal Gokulum Society

Diamond Power has played a key role in the formation of 'Bal Gokulam Society – A Home away from home'. It is a first of its kind children home of the country established to provide shelter and protection to the orphans and physically challenged children and give them parental care, which is managed by Baroda District Probation and Aftercare Association. Every child is given formal or non-formal education and is instilled with lessons on health, first aid, cleanliness, general knowledge and computers, thereby aiding their all-round development.

The company continues to support this Society along with other leading companies in Vadodara.



EDUCATION

- # Commissioned a primary school at Vadadala for educating the children of the village
- # The school imparts quality education to hundreds of aspiring students
- # The company till date continues to support and contribute towards its infrastructure facilities along with like-minded reputed organisations like Baroda Round Table 49 and Ladies Circle 76

HEALTH

Some proud initiatives taken to instill good health among the communities are:

- 1. Ambulance Kendra**
Diamond Power has adopted the 'Ambulance Kendra', which has reached out to many people in need and has helped saving hundreds of lives.
- 2. Blood Donation Camp**
Diamond Power organizes blood donation camps once in every three months wherein the employees, their friends, family members and many others come to donate blood.
- 3. Eye care Camp**
Diamond Power supported by Baroda Round Table 49 & Baroda Ladies Circle 76 organise frequent free eye checkup camps for cataract followed by free cataract removal by laser at Hi-tech Eye Surgery clinic for aiding the underprivileged societies in the community.

ENVIRONMENT

- # Conducts tree plantation initiative across Vadodara by distributing saplings and driving community participation thereby promoting afforestation
- # Supports Vadodara Traffic Education Trust thereby helping the city and the citizens to overcome traffic problems and spread greater awareness relating to traffic rules to communities and students
- # Encourages use of 'Public Transport' as a measure of reduction in the emission of green house gases, ultimately promoting sustainable development

Proud supporter of Vadodara Marathon

At Diamond Power, we have advocated the cause of good health within the company and also among the communities we work with. We have initiated and are associated with Vadodara Marathon as a co-sponsor since past five years. This is India's first large scale international marathon which was organized in a non-metro city. This marathon also holds a prized spot on the AIMS International Half Marathon Calendar and also was honored by the title 'Smallest City, Biggest Marathon'.

Vadodara Marathon, an independent Non-Profit Company that undertakes the activity of conducting annual marathons in Vadodara; with an objective to raise money and momentum every year for a cause. A Board of Management comprising of leading industrialists, social workers, educationalists, professionals, directors etc, governs it. Shri Amit Bhatnagar, Managing Director of the Company is on the Board of Vadodara Marathon and also takes active interest in the activities.



Board of Directors' profiles



SHRI S.N. BHATNAGAR, *Chairman*

Shri S. N. Bhatnagar is the Chairman of our Board of Directors since January 2010. Prior to that, he was the Chairman and Managing Director of our Company since 1993.

Shri Bhatnagar is a Mechanical Engineer by qualification. He joined Jaipur Metals and Electrical Limited (Kamani group companies) in 1964. During his tenure he has worked on many significant positions and was instrumental in developing groove contact wires, machineries and process, for the first time in the country. He was also heading the conductor and rod division. After rendering his outstanding services to the company for 7 years he resigned and founded Diamond Cables Limited as a partnership company. His long experience of 50 years in the power sector industry proved to be fruitful to Diamond Power Infrastructure Limited (formerly known as Diamond Cables Limited). Shri Bhatnagar having an expertise in projects development and design of machines was also a project consultant during his long tenure and so far has headed 26 such projects.

Shri Bhatnagar went an extra mile by serving as the President of Cable and Conductor Manufacturers Association of Gujarat for 20 years. He was also a member of ETDC – 37 the committee which framed the specification in Bureau of Indian Standards. Shri Bhatnagar has also received the 'Udyog Jyoti' and 'Udyog Patra' awards in 1984-2001 from the Government of India.



SHRI AMIT BHATNAGAR *Managing Director*

Shri Amit Bhatnagar is the Managing Director of our Company since January 2010.

Prior to that, he was the Joint Managing Director of our Company since 1993. He holds a Bachelor's degree in Industrial Engineering (gold medalist) from Saurashtra University and MBA in Finance & MOP with a gold medal from the Asian Institute of Management, Manila.

Shri Bhatnagar has over 24 years of experience in Managing the Company. He also has a varied experience in the power equipment industry, which includes business-to-business selling via the dealer and industrial marketing route. He looks after the day to day operations of our Company, which includes sales, marketing, finance, procurement and public relations. He is also the president of Electrical Goods Manufacturers Association of Gujarat.

Shri Bhatnagar was also awarded the 'Udyog Ratan' award for 2007-08 by the Government of India. He is also one of the founders of 'Vadodara Marathon' and is an Executive Committee Member of the Bal Gokulam, a children shelter established by the Government.



DR. SUMIT BHATNAGAR *Joint Managing Director*

Dr. Sumit Bhatnagar is the Joint Managing Director of our Company since January 2010. He has pursued BE in Electronics from Pune University and also holds an Hon. Doctorate in Business Management, MBA in international finance from Swinburne University, Melbourne, Australia with chancellor's medal and scholarship for obtaining highest grades in his course. He is also a certified ERP Professional for Microsoft, Oracle & SAP.

Shri Sumit Bhatnagar has been associated with our Company for over 20 years. He has more than 17 years of experience in Business Process Analysis, re-engineering, System Study like ERP, ISO 9002, developing in-house internal audit system and putting in place the MIS for decision making and control. Shri Bhatnagar headed the ERP and Microsoft Navision implementation at Diamond Power. He has also been associated in the development of software solutions for electrical industry.

Shri Bhatnagar is also a Trustee on the Board of Bal Bhavan Society of Vadodara, the Vice President of Savli Taluka Industries Association, Chairman of Baroda Round Table – 49 and has also been felicitated with the National Business Leadership Award for Industrial Development given by IEDRA.





SHRI KARTHIK ATHREYA *Non-Executive Nominee Director*

Shri Karthik Athreya is a Nominee Director of Clearwater Capital Partners on the board of the Company since 3rd April, 2012. He is a member of the Institute of Chartered Accountants of India and holds a Commerce degree from Loyola College, Chennai.

Shri Athreya is a member of Clearwater's Management Committee and is based in Mumbai. He is responsible for Clearwater's Indian investments and overseas growth, organization and business building strategies for Clearwater's portfolio in India. Prior to joining Clearwater, he held positions of increasing responsibility at Yes Bank, Rabo India Finance Pvt Ltd, Arthur Andersen and Pricewater house Coopers.



SHRI BHAVIN SHAH *Non-Executive Director*

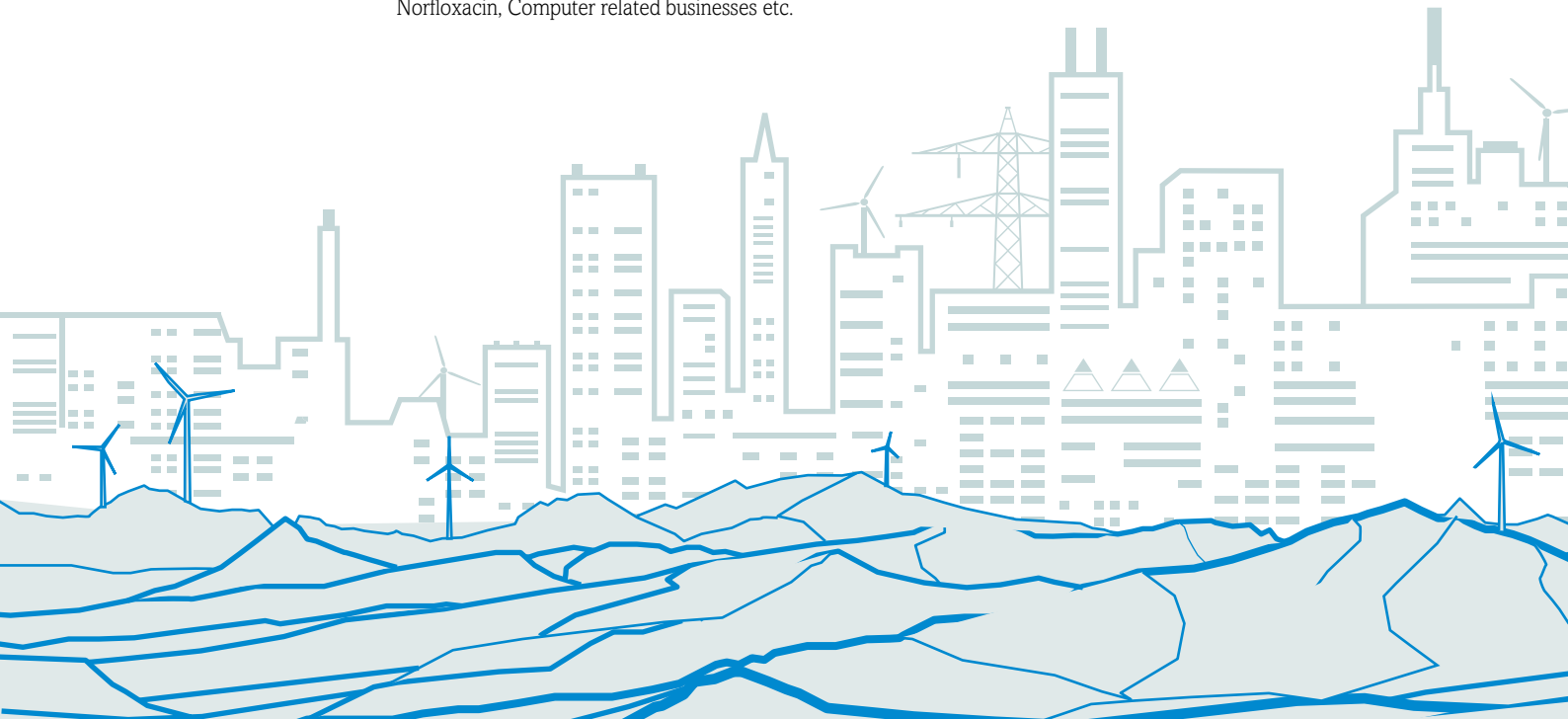
Shri Bhavin Shah was nominated on the Board of the Company by Kotak India Growth Fund II, Non-Financial Institution and was appointed as a Non-Executive Director w.e.f. 9th November, 2011. He is a qualified Chartered Accountant and holds an MBA from the Indian Institute of Management (IIM), Ahmedabad.

Shri Bhavin Shah is presently an Associate Director at Kotak Private Equity and member of the investment team responsible for investments, portfolio oversight and monetization. Earlier, he was a Senior Vice President at Kotak Investment Banking where he was responsible for private equity fund raising for corporates. Prior to Kotak, he worked with Crimson Investments, a \$500 mn private equity fund based in Hong Kong with a focus on investments in emerging markets including India.



DR. KIRIT VYAS *Non-Executive Independent Director*

Dr. Kirit Vyas is a non-executive independent Director of the Company. He is Doctor of Philosophy and Master of Science in Chemical Engineering from Illinois Institute of Technology, Chicago, Illinois, U.S.A. and had excellent scholastic records throughout. Prior to coming to India, Dr. Vyas was a Project Manager in an international engineering construction company Davy McKee Corporation, Cleveland, Ohio. He also held various managerial positions in McDowell Wellman Company in Cleveland, Ohio and Institute of Gas Technology in Chicago, Illinois, U.S.A. His responsibilities involved managing projects, corporate planning & development and commercialization of various processes. He has authored many publications in the field of Chemical and Metallurgical Engineering. Dr. Vyas established many business units such as a Chemical Factory to produce a general purpose antibiotics called Norfloxacin, Computer related businesses etc.





SHRI RANVIR SINGH SHEKHAWAT *Non-Executive Independent Director*

Shri Ranvir Singh Shekhawat, is a non-executive independent Director of the Company. He is a well-known figure in Power cable as well as communication cable industry. He is a technocrat having more than 47 years of rich experience in cable manufacturing and has worked at top management positions in leading cable units. He has to his credit, setting up and operation of six large-scale cable manufacturing plants including two for corporate giant, M.P. Birla Group. He has undergone training at world leaders like ABB cables & Ericsson cables of Sweden.



SHRI ASWINI SAHOO *Non-Executive Independent Director*

Shri Aswini Sahoo, aged 40 years holds an honors degree in Mechanical Engineering from Regional Engineering College, Rourkela and Post- Graduate diploma in management from the Indian Institute of Management, Bangalore. Earlier Shri Aswini Sahoo was associated with Clearwater Capital Partners as Sr. Vice President. He has an overall experience of 14 Years in Finance and Investments. Shri Sahoo also serves on the Board of Directors of Clearwater Capital Partners India Private Ltd. and Flexituff International Ltd. prior to joining CCP. He was earlier also associated with some reputed organization such as Vedanta Resources and ICICI Bank Ltd.



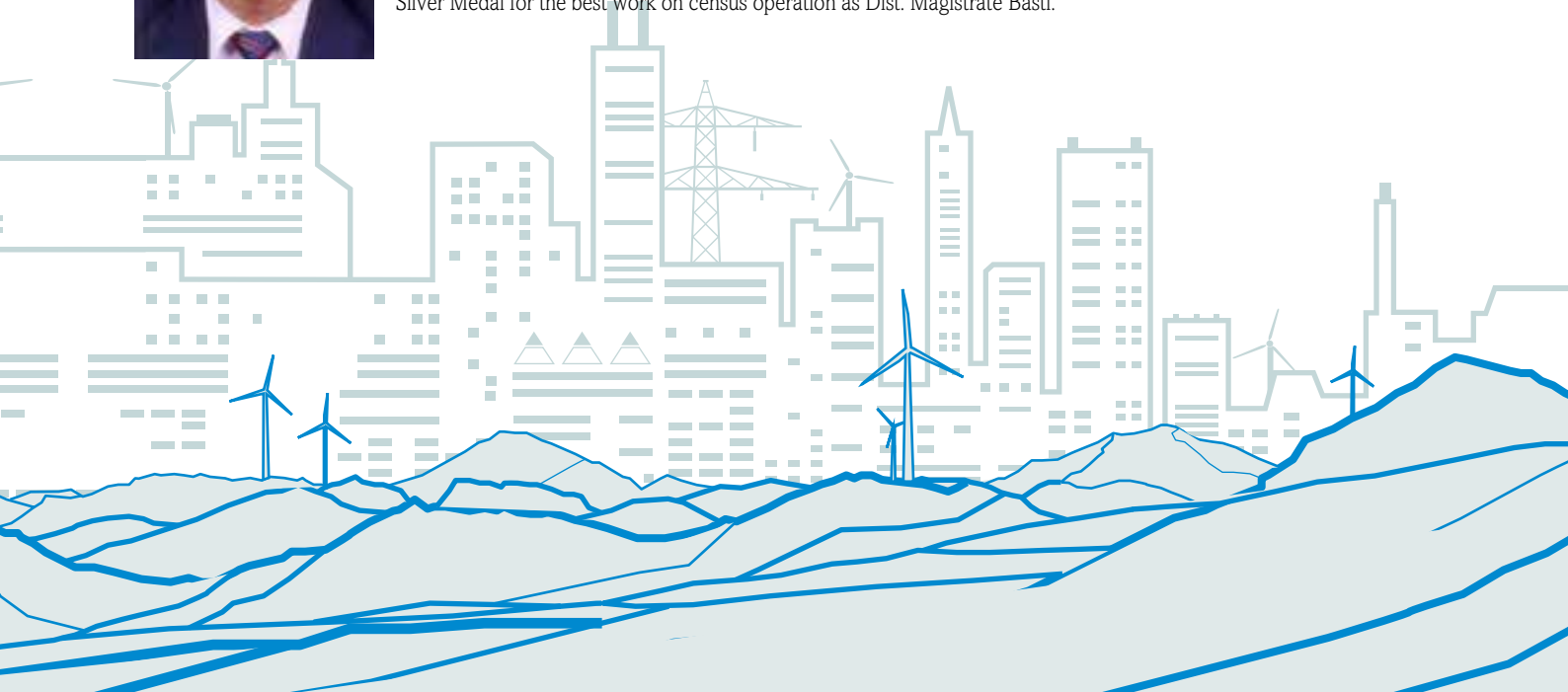
SHRI ASHOK KUMAR GAUTAM *Independent Director*

Shri Ashok Kumar Gautam is one of the leading consultants for many Corporates. He has a vast experience in Tax administration and is presently one of the top professional in Tax Matters in the country. He was with Reserve Bank of India in 1976 and after Joining IRS (Income Tax) in 1977, served around 35 years in Indian Revenue Service in 6 different states in the country.



SHRI ASHOK KUMAR SINGH *Non-Executive Independent Director*

Shri Ashok Kumar Singh is having massive experience of over 36 years with Government of Uttar Pradesh and Government of India, he is retired I.A.S Officer and served with many prestigious government organizations, he also served as Magistrate and Dy. Labour Commissioner. He was Secretary for Planning Department, U. P. Government. Other than above, he was awarded for the best performance as Dist. Magistrate and honored with President of India's Silver Medal for the best work on census operation as Dist. Magistrate Basti.



Executive Council

Diamond Power's Executive Council comprises of a core group of corporate personalities who with their professional expertise and vast experience have nurtured Diamond Power to become a business leader over the years. The Corporate Executive Council, led by Bhatnagars, has been an active, dedicated and highly experienced forum.



SHRI. P. SRIDHARAN
Director- Operations*
(Diamond Power Transformers Limited)
B.E – Electrical, Diploma – Business Administration, F.I.E

Having an experience of over 34 years in the power sector he has worked in all functional areas including TQM, TPM, and TOC. He has also handled green field projects, Capex and Turnkey Electrical Projects. He handles products like Condenser Bushings for Power Transformers, SF6 Breaker Components, H.V. C.T , CVT, Wave Traps, Line Hardware, etc.



SHRI. JAIDEEP NIGAM
Director Exports*(Diamond Power Global Holdings Limited, Dubai)
B.E- Mechanical, MBA – Marketing

Having an experience of over 27 years in the Middle East market he will be based in Dubai to look after our wholly owned subsidiary company whose main objective will be to take care of the export potential in the Middle East, African and Asian countries.



SHRI. BHAGWAN MAKHIJANI
Executive Director – Finance & Strategic Initiatives (Diamond Power Transformers Limited)
B.Com, MBA– Finance

As Sr. Vice President Finance & Strategic Initiatives, responsible for financial operations, funding strategy & implementation and assisting the MD in activities related to Group's strategic planning, alliances and acquisitions, etc.

He also has over 33 years of experience in the field of financial & commercial activities in professionally managed companies like Arvind Mills Limited, Coromandel Fertilizers Limited and Bhilwara group.



SHRI. KIRIT. S. DAVE
Sr. Vice President – EPC Division
Diamond Power Infrastructure Limited
B.E – Electrical

He has over 38 years experience in various segments of power utility like transmission, distribution and generation. Shri. Dave is the member of CBIP Transmission Line manual. He has published many papers on foundation testing, maintenance of EHV transmission lines and sub stations and R&M and up gradation of transmission lines. He is a retired Chief Engineer (Project) GETCO. He has also worked with major private players for 4.5 years for EPC contracts of Transmission lines and got executed work of 220/400/765kV Transmission lines.



SHRI. RASHESH CHHAYA
Vice President – Supply Chain
Diploma – Electrical & Mechanical Engineering

Having over 42 years of experience in field of Material Management, Mr. Chhaya plays a very vital role in the management of the Company. He is responsible for Material Management, purchase and supply chain management in our Company.



SHRI. GHANSHYAM SINGH
Vice President – LT Cables & Conductors
BSc– Chemical, Maths and Physics

He is responsible for LT cables and conductor division and Compounding Unit and has over 30 years' experience in cables manufacturing industry.



SHRI. RAMESH MISHRA
Vice President – Testing (HT Plant)
Diploma – Electrical Engineering

He is heading the Testing laboratory and quality department function in our Company and also has around 44 years of experience in the field of Testing and installation.



SHRI. RAJESH DUTTA
Vice President – Marketing (India – I)
MBA - Marketing

He is heading the dealer network division of our Company and is responsible for dealing with regular clients having business dealings above a certain level and also has over 17 years of experience in marketing of aluminum rods, conductors and cables.



SHRI. PREM SHEKHAR PRASAD
Vice President – EPC
B.E. – Electrical, MBA – Finance

He has an experience of over 28 years in the field of O&M in cement industries, captive power plant, thermal power plant, energy conservation, quality management like ISO/TPM/TQM/ISO14000, managing inventory, water management, evaluation of quotation, etc. Presently, he is looking after 220 KV transmission line project in Gujarat managing eight sites over 450 km. length overall with supply and etc.



SHRI. VIJAY SHANKAR N S
Vice President – QTP & PPC
B.Sc. - Statistics & Maths

He looks after the designing and costing of all local and export related matters for cables and conductors. Having completed his training from various reputed institutions like IIM – Bangalore, XLRI – Jamshedpur, etc. he has about 40 years in field of cables and conductors manufacturing.



SHRI. PRATIK SHAH
Vice President (Accounts)
B.Com, C.A.

Having an overall work experience of 14 years, he is responsible for accounts and taxation related matters, freezing of reports, government liaisoning with Excise, Service Tax, Income Tax and Sales Tax. He also looks after internal audit, statutory audit and the commercial aspects of setting up a new project.



SHRI. DASHRATH M. PATEL
Vice – President of Diamond Power Transformers Ltd.
B.E. –Mechanical

He is heading the Distribution Transformers of Diamond Power Transformers Ltd., Ranoli & is having 41 Years of vast experience in various segments & outsourcing of transformers. He is a Gold Medalist for Machine Design.



SHRI. MUKESH R PATEL
Sr. Vice President – HR
B.Sc. –Statistics, LLB & MSW

Mr. Mukesh R. Patel has experience of 29 years prior to joining with us in field of strategic IR, Formulation and implementation of new HR/IR policies including remuneration policies for staff and workers as core team member including manpower planning and rationalizing.



SHRI. U K SHASHIDHARAN
Vice President – Transmission Tower Production
Diploma – Mechanical Engineering

Having an experience in Production, Production Planning, Maintenance and Quality Assurance in Transmission line Industry for 30 years he is responsible for the overall operation of Transmission Tower Plant in our Company.



SHRI. M. SRINIVASSAN
Assistant Vice President – Marketing
B.A.

He is heading the Southern Indian market of our Company and also deals with all the corporate and EPC contractors. Having a experience of over 28 years in marketing of cables & conductors he has been instrumental in getting good customers from southern India.





SHRI. PANICKER SUGATHAN
Assistant Vice President – Purchase
*B.Com & Secretarial Practice From
 The Board of Kerala*

Mr. Panicker Sugathan is having an experience of over 27 years prior to joining with us. He has experience in the field of Purchase, Procurement, Planning & scheduling, Inventory Management.



SHRI. OMPRAKASH TIWARI
President – Vadadala Unit
BSc – Maths

Mr. Omprakash Tiwari has 34 years of experience in the field of maintenance, manufacturing, quality control, engineering, supply and logistics, distribution, etc. at corporate level and plant level of various versatile industries like Paramount Cables Ltd, Eco Cable Industry Ltd, Shankar Cable Industry, Gulf Cable Co, Universal Cable Ltd, etc.



SHRI. RAJESH SHRIVASTAVA
Vice President – INDIA II,
Incharge of North & East - Marketing
B.E. – Electricals

Mr. Rajesh has 17 years of experience in the field of Sales and Marketing of Power Cables, Switchgear & Control gear & Industrial Cable. He has worked in Contronics Switchgear India Pvt. Ltd as Marketing – Engineer. Recently he has worked with Havells India Ltd as DGM-Marketing.



SHRI. SHAFEEQ SHAIKH
Assistant Vice President – Administration
B. Sc. – Maternity Science, Executive MBA

He has 14 years of working experience various industries like in Indian Council of Agricultural Research as Jr. Research Fellow, in National Agricultural Technology Project as Sr. Research Fellow. He was in Indian Army as Officer Commanding for 10 years. Than after he was with Jyoti Ltd as HOD Admin & Security Prior to joining with us he was with Kaneria Granito Ltd, Dahej as GM-HR.



SHRI. NISHANT JAVLEKAR
Company Secretary
B.Com, LLB, CS, ICWA (Cont.)

He is head of the Secretarial Department and Costing Department of Diamond Power. Other than this, he is a lecturer and visiting faculty of various institutions including ICSI and MSU and Vice Chairman of Vadodara Chapter of WIRC of Institute of Company Secretaries of India.

** not forming part of the Board Directors of the Company.*



Management Discussion & Analysis

ECONOMY OVERVIEW

Global

2013-14 was a year of recovery for the global economy. With the struggle persisting in developed markets (the Eurozone in recession for much of the year) and living standards in most of the developed world still below their 2007 peak. 2013-14 witnessed two great stories in the world economy: the structural shift from the developed world towards the emerging world; and the cyclical climb out of a recession. The first continued in first half of the financial year, but at a slightly slower pace than before. Growth in China, at 7.5 per cent, was its the slowest for 23 years. Things also slowed in India, to a little below 5 per cent, far slow when compared to the past eight years. Africa, encouragingly, grew by more than 5 per cent.

As for the second story, in the developed world what had started as an uneven and patchy recovery began to strengthen. The US, despite having to cope with feuding over its budget, seems to have sped up. It has been creating jobs and its housing market improved sharply. In Europe there was a better story too, though an uneven one. The north, led by Germany, had a solid year, reducing unemployment and boosting living standards. Across the Mediterranean the pattern was more disappointing, with Italy, Spain, Portugal and Greece all enduring

a year of rising unemployment. However, the numbers have started to improve. Europe and the euro are not out of trouble, but the acute phase of their difficulties may be past. 2014-15 expects to deliver which much better and more balanced growth than any year since 2007.

Indian

Just when the Indian economy couldn't get any lower in terms of performances, 2013-14 is expected to breach the 5.5 per cent mark to reach near 5 per cent; its lowest in the past decade. The uneven political climate led to stagnant economical scenario – thereby leading to lower infusion of investments in to infrastructure and core industries – also leading to lower capex and less job creation. The inflation remained on the higher side, thereby reducing the disposable income and leading to lower consumer spends. The banking system in India continued to grapple with rising delinquencies and higher scrutiny from the regulators. The core industries and the infrastructure sectors witnessed lower traction in terms of activity, thereby leading to lukewarm economic activity across key states.

However, with the change in the political scenario during the early months of 2014-15, the optimism for rebuilding the economy showed signs of revival. The new government inspired confidence among the



nation and started the long-drawn process of economic revival. The signs of revival however, continues to be slow and time-consuming. According to the Economic Survey 2013-14, tabled in Parliament on July 9, 2014, by Mr. Arun Jaitley, Union Minister for Finance, Government of India, the main highlights were:

- # Gross domestic product (GDP) is expected to grow at 5.4–5.9 per cent in FY15.
- # India has the second fastest growing services sector with compound annual growth rate (CAGR) of 9 per cent.
- # Foreign exchange reserves grew to US\$ 304.2 billion by March 2014 from US\$ 292 billion at the end of March 2013.
- # Annual average exchange rate of the rupee went up from Rs 47.92 (US\$ 0.8) per US dollar in 2011–12 to Rs 54.41 (US\$ 0.91) per US dollar in 2012–13 and further to Rs 60.5 (US\$ 1.01) per US dollar in 2013–14.
- # Proportion of working age population to increase from 58 per cent in 2001 to over 64 per cent in 2021

According to the Economic Survey, India requires US\$ 1 trillion investment in infrastructure in the next five years. Power sector is expected to be the biggest beneficiary of this investment pie.

INDUSTRY OVERVIEW

The background

2013-14 ended on an encouraging note in power generation, even as capacity augmentation fell a little short of the feat in 2012-13. The total power requirement in the country crossed the one-trillion unit mark for the first time during the year. However, it followed only a marginal rise over the year, reflecting stagnation in industry and steep

economic deceleration on one hand and 5.6 per cent appreciable increase in ex-bus power availability on the other. Power deficit fell to 4.2 per cent, half the shortage in the previous fiscal.

The total grid-connected installed capacity at the end of FY14 was placed at 243,029 MW comprising 29,463 MW (12 per cent) from rapidly rising non-conventional renewable power and 88 per cent from conventional power; thermal power, bulk of it coal-fired, constituted four-fifth, large hydro 20 per cent and nuclear just around 2 per cent of conventional power.

Marking a major change from pattern till recently, private sector has increasingly forayed into power infrastructure in recent years. Thus, during the 11th Plan over two-fifth of conventional energy capacity addition was at the behest of private sector, with 32 per cent coming from state government utilities and around 26 per cent from central government power companies. Most of the capacity in private sector was in thermal power with hydropower forming just 5 per cent.

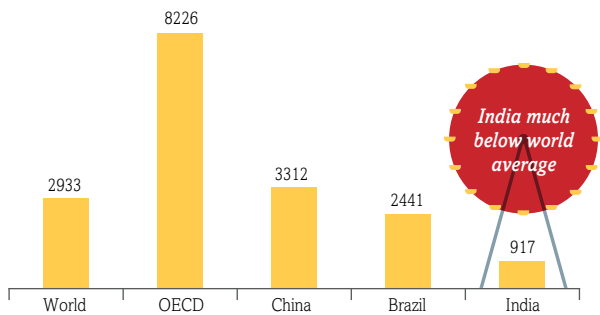
T&D

Fiscal 2014 saw addition of 16,748 Kms transmission lines and 57,330 mva under substations, both falling short of 17,107 Kms and 63,665 mva respectively added during the preceding year. The T&D feat in 2013-14 raised the total transmission capacity to 1,44,851 Kms in 220kV, 1,25,957 Kms in 400kV, 11,096 Kms in 765kV and 9,432 Kms in HVDC. The total MVA capacity at substations stood at 5,17,046 at the end of fiscal 2014.

The opportunity

India has perennially remained a power deficit country. Huge potential exist for power generation and Transmission & Distribution sector in the country as country's per capita electricity consumption at 917 kwh is much below the world average of 2933 kwh.

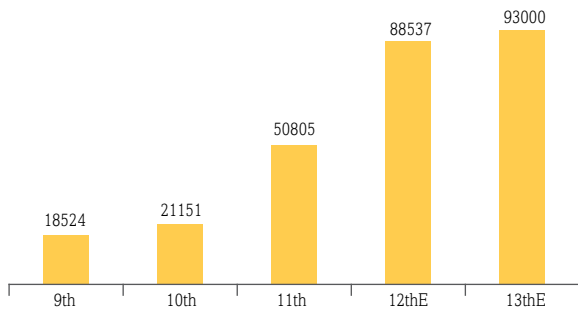
Per Capita Electricity (kwh/capita)



Source: IEA, CEA, IndiaNivesh Research

To tackle the menace of power deficit and maintain country's high economic growth, Indian government has undertaken a massive power generation and transmission capacity addition plans in the country. India has added 50,000 mw in 11th plan (2007- 12) and plans to add 88,000 and 93,000 mw in 12th (2012-17) and 13th (2017-22) plan respectively.

Planwise Capacity addition (MW)

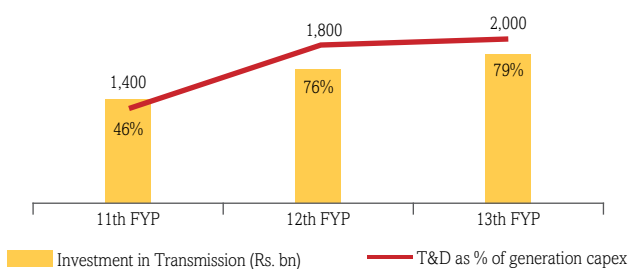


Source: CEA, MoP, IndiaNivesh Research

Note: Excluding Renewable Capacity additions

Massive capacity addition in generation sector will be of little use without robust transmission and distribution network in the country. India has historically underinvested in its T&D sector Vs. generation sector. To make the transmission network more robust and supplement the addition of generation capacity, about Rs 1.4 bn. were spent in 11th plan. 12th and 13th plans are set to observe greater investment of Rs 1.8 bn. and Rs 2 bn. respectively.

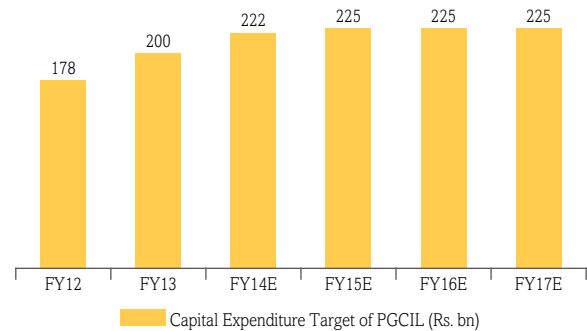
Investment in Transmission & T&D as % of generation capex



Source: MoP, IndiaNivesh Research

Power Grid corporation of India (PGCIL), country's central transmission utility, is single biggest customer for T&D companies. PGCIL has plans to spend about Rs 1.1 bn in 12th plan. A well-planned year wise capital expenditure target set by PGCIL gives good visibility for the T&D companies.

Capital Expenditure Target of PGCIL (Rs. bn)



Source: PGCI, IndiaNivesh Research

T&D Losses

The T&D losses for the whole of India during 1995-96 was about 22 percent, which further increased to about 25.6 percent by 2009-10; as compared to a global average of 10 per cent. The States, which have relatively high T&D losses, are Jammu & Kashmir (63 per cent), Bihar





(38 per cent), Chhattisgarh (38 per cent), Jharkhand (38 per cent) and Madhya Pradesh (35 per cent). The States having relatively low T&D losses include Punjab (19.7 per cent), Himachal Pradesh (14.7 per cent), Andhra Pradesh (18 per cent) and Tamil Nadu (18 per cent). With the aim to reduce the Aggregate Technical and Commercial Losses (AT&C) up to 15% in the country and improvement in power distribution sector, Government of India has launched the Restructured-Accelerated Power Development and Reforms Programme (R-APDRP) in July 2008. The focus of R-APDRP is on actual demonstrable performance by utilities in terms of sustained AT&C loss reduction.

Global focus for Indian T&D EPC players

Indian transmission EPC players are focusing on overseas T&D opportunity to offset slowdown in state/private sector CAPEX. International market presents US\$6.5 Trn opportunity over 2008-2030.

COMPANY OVERVIEW

About the Company

Diamond Power infrastructure Limited is an integrated solutions provider in Power T&D space in India. Primarily established as a conductor manufacturer in 1970 by Mr. S N Bhatnagar, a first generation technocrat and presently the Chairman of the Company,

Diamond Power achieved greater integration post completion of its expansion projects during 2010-11. Today, it commands presence across the value chain –conductors, cables (LT, HT & EHV), transformers (power and distribution), transmission towers and EPC services. With 3 manufacturing locations and headquarter, all located in Vadodara, Gujarat; the Company also has more than 100 distributors across 16 Indian states. The Company sells its products under 'Diatron' brand.

Corporate highlights 2013-14

- ✚ Continued thrust on capacity and vertical consolidation, thereby strengthening its margins
- ✚ Successfully commissioned the Phase I of ambitious expansion program for 7500 kms of MV cables and 100000 MTPA of conductors in February 2014
- ✚ Focused on stabilising the state of the art cable type testing research lab in Vadodara
- ✚ Continuous focus on strengthening management teams across its businesses

Financial highlights 2013-14

- ✚ The company's operational revenues on a Consolidated basis crossed Rs. 3100.00 crore mark, with an increase of 23.15% to Rs. 3178.84 crore
- ✚ EBIDTA (on Consolidated basis) increased by 17.37% from Rs. 246.91 crore in 2012-13 to Rs. 289.80 crore in 2013-14
- ✚ Net profit (on Consolidated basis) increased by 5.74% at Rs. 110.03 crore in 2013-14 against Rs. 104.06 crore in 2012-13

Operational achievements

2013-14 continued to be a tough year for the Indian power sector. With the policy delays and widespread deferment in the economic investment cycle, the power projects remained off-track in terms of execution timelines. However, with the improvement in the power sector during the second half, the order flow started to improve. At Diamond Power, we posted a promising performance on the tenants of integrated business model, strong order book and established goodwill among the clients. The company's earlier investments in strengthening capacities and instilling requisite flexibility enabled us to service diverse order size, also keeping our economies intact. The company also completed the first phase of its ambitious expansion program in 2013-14 in our medium voltage cables and conductors businesses.

The company, in wake of improved order flow, also witnessed improvement in capacity utilization across its business lines. The order book of Rs. 1465 crore as stood at the beginning of the fiscal year got translated into revenues within three quarters, thereby improving the margins through optimized capacity utilization.

During the year, we also focused on stabilizing the recently state-of-the-art ultra high voltage laboratory in Vadodara. Being the first of its kind in India the laboratory was further improved in terms





of its capabilities to type test cables up to 1200 kV for partial discharge, impulse test, etc. and other type tests conforming to the IEC standards. During the year we also focused on getting NABL accreditation. The process was finally successful with the lab receiving the accreditation in August 2014.

During the year, the company, with its ambitious expansion project nearing completion, the company laid a robust foundation of being among the very few integrated power infrastructure players having the widest range of products across the value chain. At the same time, the company's strategic stake in relay panels have already enabled it to garner improved customer support from export markets, establishing its reputation as a one-stop destination for power solutions and products.

Segmental analysis

In terms of consolidated segmental revenues, Cables division remained the largest and accounted for 45.05% of the total revenues, followed by Conductors division with 22.49% of the share. Power EPC division stood at 4.97%, on account of lower activity. The Transformer division clocked in a share of 15.83% followed by transmission towers at 11.66% of the consolidated revenues. In its second year of operations.

The revenues from Cables division improved by 17.28% to Rs. 1432.10 crore during 2013-14 (as compared to Rs. 1221.12 crore in 2012-13); the divisional EBIDTA improved by 24.27% to Rs. 155.44 crore during 2013-14 (as compared to Rs. 125.08 crore in 2012-13). The division posted EBIDTA margin of 53.64%.

The company's conductor division registered a growth of 22.05% in terms of its net sales, to Rs. 714.79 crore in 2013-14 from Rs. 585.67 crore in 2012-13. The divisional EBIDTA stood at Rs. 700.72 crore for the year under review, up 9.17%. The division posted EBIDTA margin of 24.18%.

EPC division registered a growth of -1.20% per cent in terms of its net sales, to Rs. 157.87 crore in 2013-14 as compared to Rs. 159.78 crore in 2012-13. The division's EBIDTA margin stood at 5.64% in 2013-14.

The company's transformers segment registered an increase of 37.23% in revenues to Rs. 503.29 crore in 2013-14; the EBIDTA margin stood at 7.22%, improved on account of improved demand over past fiscal.

Expansion plan

The company is currently pursuing an expansion plan of Rs. 753 crore for expanding capacities of its medium voltage cables, conductors and ancillary unit and wild mill. the role of ancillary unit will be to manufacture XPLE compounds and steel drum which will overall support the MVC and conductors. The expansion is expected to complete by 2015-16.

SWOT ANALYSIS

Strengths

- ✚ A fast growing integrated EPC player, having product mix covering 80 per cent of the average project cost



- ✚ Two decades of proven expertise and focus
- ✚ Access to educated and credible intellectual capital
- ✚ Proven expertise in product innovation, quality and customisation
- ✚ Evolved from a single product company to an EPC company; presently scaling up the value chain
- ✚ A well-defined and scalable organisation structure lead by an experienced and qualified management team
- ✚ Preferred supplier to a world-renowned clientele
- ✚ Established reputation as a Value added products company
- ✚ Scalable businesses having state of the art technology and machinery
- ✚ Diversified product mix resulting in derisked revenue growth.
- ✚ Robust order book

Weakness

- ✚ Operates in capital-intensive segments



- ⚡ Key raw materials are prone to volatility

Opportunities

- ⚡ Capacity addition planned for the 11th and 12th plan would lead to significant addition of transmission lines.
- ⚡ Up gradation of existing T&D network
- ⚡ 100 Mega cities to be developed was announced in recent union budget in FY 2014-15

Threats

- ⚡ Increasing competition from global players
- ⚡ Volatility in input cost

Human Resources

At DPIL, employees are not only considered to be the stakeholders in the corporate growth but also are the key drivers of its performance. The Company always endeavours to provide an environment that encourages talented professionals to perform to their fullest potential. The Company owes its success to its loyal and efficient human asset. The Company believes that, by effectively managing and developing

human resources, it can achieve its vision. It imparts specialized and technical training to its employees at regular intervals, which enrich their knowledge, skill and competency to perform their job effectively and efficiently. This also encourages employees to shoulder more responsibilities and take part in the growth of the Company's business. The Human Resource strategies aim at attracting, developing and retaining talent pool in the Company. As on 31.03.2014 the number of employees was 2000+. The industrial relations were also cordial during the period under review.

Internal Control System

The Company has an adequate system of internal controls to safeguard and protect from loss, unauthorised use or disposition of its assets. All transactions are properly authorised, recorded and reported to the management. The Company is following all the Accounting Standards for properly maintaining the books of accounts and reporting of financial statements. The Company has an Internal Audit department and has also appointed external Internal Auditors to review various areas of the operations of the Company. The audit reports are reviewed by the management and the Audit Committee of the Board periodically.

RISKS AND CONCERNS

The Company is exposed to normal industry risk factors of competition, economic cycle and uncertainties in the international and domestic markets and credit risk. The Company manages these risks, by maintaining a conservative financial profile and by following prudent business and risk management practices.

At DPIL, employees are not only considered to be the stakeholders in the corporate growth but also are the key drivers of its performance. The Company always endeavours to provide an environment that encourages talented professionals to perform to their fullest potential. The Company owes its success to its loyal and efficient human asset. The Company believes that, by effectively managing and developing human resources, it can achieve its vision.

Directors' Report

To

The Members,

Your Directors are pleased to present the Twenty Second Annual Report together with the Audited accounts of the Company for the year ended on 31st March, 2014.

FINANCIAL RESULTS

	Rs. in Lacs	
	2013-14	2012-13
Income	268088.01	213274.84
Expenditure	241202.01	190741.24
Gross Profit / (Loss) before Interest, Depreciation & Tax	26886.00	22533.60
Interest	11179.79	8560.43
Depreciation	3509.34	3265.41
Profit before Tax	12196.87	10707.76
Provision for taxation / Deferred Tax	1800.00	1500.00
Profit after tax	10396.87	9207.76
Share Capital	5814.20	3720.64
Reserves & Surplus	87547.35	65647.17
EPS	23.29	24.75

IMPORTANT PERFORMANCE PARAMETERS

	Rs. in Lacs	
	2013-14	2012-13
Gross Profit Margin (%)	10.02	10.56
Asset Turnover (times)	1.03	1.10
Interest Coverage (times)	2.40	2.63
Earning per Shares (diluted) (Rs.)	23.29	24.75



DIVIDEND

Looking into the long term interest of the Company, your Directors have not recommended any dividend for the financial year ended on 31st March, 2014, although the Company has earned profit in the year under review.

CURRENT ACTIVITIES OF THE COMPANIES

At present your Company is generating revenues from Cables, Conductors, Transformers, Transmission and EPC Contracts. Company provides to its customers, numerous ranges of products in terms of best quality and ensures them optimum satisfaction level. We are glad to give you a brief look on the wide array of product range offered by our Company:

CABLES

Our power cables transmit a reassuring quality that can be counted on at all times. Our range includes the highly reliable LV/HV cables from 1.1KV to 132KV and the EHV cables from 220KV to 550KV. In order to deliver world-class power transmission products, we leverage our CCV method of manufacturing, coupled with German technology. What's more, we also offer a 10-year warranty on our products against manufacturing defects - a first of its kind assurance that helps build the client's confidence and trust in our products.

Power and Control Cables include

- ⚡ LV(1.1KV) grade aluminium/copper, armoured/unarmoured, PVC/FRLS/XLPE cables up to 1000 sq mm in single core and 630 sq mm in multi core that conform to IS1554-I, IS 7098-I and other international standards

- ⚡ Copper control cables up to 61 core with PVC/XLPE/FRLS that conform to international standards and specifications
- ⚡ HV cables up to 132KV as per international specifications and standards
- ⚡ EHV cables from 220KV to 550KV
- ⚡ Aerial Bunch Cables (ABC), both in LV & HV grade that conform to various standards
- ⚡ Specialty cables which include control & instrumentation cables
- ⚡ PVC / XLPE insulated ACSR & AAA conductors for special purposes
- ⚡ Flexible cables with single core and multi core that conform to international standards and BS specifications.

Production Capacities

Our key equipment suppliers include global leaders such as Scholz, Nokia-Maillefer and Supermac among others. Amongst the top five power cable manufacturers in India, Diamond Power has also established India's first '*vertical lead extrusion facility*' as well as the '*aluminium extrusion facility*' for cables, ranging from 66KV and more. Our cable capacities include:

- ⚡ LV cables (1.1KV) : 34300 KMPA
- ⚡ HV cables (up to 132KV) : 5600 KMPA
- ⚡ EHV cables (220KV & above) : 2000 KMPA



Approvals, Certifications and Testing

- ✚ ISO 9001-2008 Certified
- ✚ Products type-tested at ERDA and CPRI
- ✚ BIS certification for all LV / HV cables, conductors
- ✚ Products approved and accepted by leading electrical consultants, EPC contractors and corporate houses
- ✚ Products approved by most of the power utilities viz. Powergrid, NTPC, NHPC and State Electricity Boards

In addition to the above wider range of Cables, your Company took toddler steps to enter into the market of flexible wires, multi core cables, and special instrumentation and automation cables for domestic and industrial purpose with the brand name of "DIATRON".

DIATRON Flame Retardant Cables are made of Electrolytic grade, bright plain annealed copper conductor, as per IS: 8130- 1984. These cables are suitable for all Industrial & Domestic wiring applications.

The cables have high oxygen and temperature index and insulation of Flame Retardant- FR PVC compound, giving it additional safety. The cables have twin coating giving it superior insulation. Further the wires have uniform diameter and are available in standard lengths.

DIATRON flexible wires are made of bright, plain multi-stranded annealed copper conductor, as per Class 5 of IS 8130: 1984 with PVC insulation. These wires are used for all industrial wiring applications and are available in single and multi cores in standard lengths.

CONDUCTORS

Proficient Range of Conductors

Our range of conductors has been designed for superior efficiency and performance. Conductor manufacturing has been Diamond Power's core competency since inception; it has today evolved into the country's second largest player with a market share of over 25% and an installed capacity of over 50,500 MT. The product range comprises of 7 strand to 91 strand from 11KV HVDC lines. Diamond Power has supplied more than 1 million KMs of conductors.

Our Transmission and Distribution Conductors include

- ✚ Aluminium Alloy Conductor Steel Reinforced (AACSR)
- ✚ All Aluminium Conductors (AAC)
- ✚ All Aluminium Alloy Conductors (AAAC)
- ✚ Aluminium Conductor Steel Reinforced (ACSR)
- ✚ Aluminium Conductor Alloy Reinforced (ACAR)
- ✚ High Conductivity Alloy Conductors AL-59 etc

Production Capacities

- ✚ Installed capacity of over 50,500 MTPA
- ✚ Annual capacity of over 80,000 KMPA

Approvals, Certifications and Testing

- ✚ ISO 9001-2008 certified



- ✚ Products are type-tested at ERDA, NETFA, TAG and CPRI
- ✚ India's first plant with in-house alloy manufacturing capabilities with type- testing facilities for rods
- ✚ Products approved with Powergrid, NTPC, NHPC and SEB's
- ✚ First in India to develop and manufacture alloy conductors and proto-test HSHC (High Strength and High Conductivity) conductors
- ✚ First BIS mark holder for alloy conductors in India having ISI licenses for all types of conductors

Product Awards

- ✚ Winner of the International Gold Star Award & Quality Award from BID Spain

TRANSFORMERS

Power and Distribution Transformers

Diamond Power's Transformer division has been formed with the takeover of Western Transformers. This merger brings in over 4 decades of manufacturing and technical excellence. To further fuel growth in the division, fresh investments in technology, capabilities and capacities have been made. Our transformer range comprises



of state-of-the-art power, distribution and dry-type transformers. It includes 11KV to 220KV, all the way up to 315MVA. Each of our transformers undergoes stringent type-testing, ensuring higher efficiency as well as reliability. We have successfully manufactured and type-tested transformers with ratings starting from 10 KV to 315 MVA, up to 220 KV class.

Power & Distribution Transformers include:

- ⚡ Power Transformers up to 220KV, 315 MVA
- ⚡ Distribution Transformers up to 33KV, 2500 KVA
- ⚡ Single phase track side transformers up to 145KV, 10 MVA
- ⚡ Single phase track side transformers up to 145KV, 31 MVA
- ⚡ Cast resin transformers up to 36KV, 3150KVA
- ⚡ Current transformers up to 245KV
- ⚡ Voltage transformers up to 72.5KV
- ⚡ Vacuum circuit breakers up to 36KV, 2500 A, 40KA
- ⚡ Dry type transformers

Production facilities and Approvals:

- ⚡ Three fully-integrated facilities in Gujarat with in-house facilities for products such as core laminations, wire drawing, strip mill, winding as well as an in-house transformer oil refinery

- ⚡ A world class dry-type transformer facility
- ⚡ Over 50,000 installed transformers worldwide and an annual production capacity of 5000 transformers

Approvals, Certifications and Testing:

- ⚡ Our type-testing facilities of up to 1000 KV have been installed with a view to cover anticipated increased needs in the future
- ⚡ Over 500 type-tests of several sizes done in laboratories all over the world
- ⚡ Our R&D facilities have been certified by DSIR, Govt. of India and ISO 9001-2008

TRANSMISSION TOWERS

A Tough Range of Transmission Towers

Our Transmission Towers have been designed to withstand the roughest of weathers. Sturdily built and technically superior in quality, these towers can perform in the most demanding of conditions. Not surprisingly, Diamond Power's Transmission Towers are empowering every corner of the country by delivering power efficiently and reliably. Diamond Power, India's most diversified power T&D Company has commenced production at its transmission tower facility.

Product Facilities

Our state-of-the-art facility is located at Phase II, Village: Vadadala, Taluka: Savli, Dist.: Vadodara. It has been designed to manufacture a wide range of transmission towers with a capacity of 48,000 MTPA.

TURNKEY PROJECTS

Our turnkey services in the power T&D sector are the key to our growth. We not only conceptualize the project, but also take charge of various stages of the project including planning, design and development, procurement, right up to the erection and commissioning. This has made us the country's largest integrated power solutions provider. With our vast product range, we have an in-house control over 80% of the average EPC project cost.

Overhead Transmission Lines

One of our core focus areas is high voltage and extra high voltage transmission line projects. Our technical capabilities, financial viability and superior execution skills ensure a cutting-edge project development and implementation.

Rural & Urban Distribution Projects

Our solutions also encompass rural and urban electrification and distribution projects; wherein we offer end-to-end services – right from project design to commissioning.

Substation Projects

Diamond Power also undertakes MV, HV and EHV substation projects. Here again, our technical, financial and managerial process allows us to configure a project that fulfils client demands.



FINANCIAL STATEMENTS

The financial statements of your Company for the year ended on 31st March, 2014 have been prepared in accordance with the provisions of laws accordingly, and the previous year's figures have been reclassified / regrouped to confirm to this year's classification.

Your Directors have attached the Consolidated Financial Statements pursuant to Clause 32 of the Listing Agreement entered into with the Stock Exchanges and prepared in accordance with the Accounting Standards prescribed by the Institute of Chartered Accountants of India, in this regard.

SUBSIDIARY COMPANIES

M/s. Diamond Power Transformers Limited and M/s. Diamond Power Global Holdings Limited are wholly owned subsidiaries of our company.

Diamond Power Transformers Limited

Diamond Power Transformers Limited has performed well and has achieved tremendous growth in turnover. The Company is one of the core suppliers of transformers to the clients like BHEL, Noida Power, and Electricity Boards etc. The Company expects to achieve higher growth with addition of varied size and rating of transformers.

The Accounts of M/s. Diamond Power Transformers Ltd, Wholly Owned Subsidiary Company, together with the reports of the Directors and the auditors, are attached with this Annual Report.

Diamond Power Global Holdings Limited

Diamond Power Global Holdings Limited was incorporated on 3rd November, 2011 as a 100% subsidiary of Diamond Power Infrastructure Limited in Jebel Ali Free Zone (JAFZA), Dubai, U.A.E. to promote exports of the Company in the Middle East.

Financial numbers for Diamond Power Global Holding Limited are already included in the annual accounts of the Company.

DIRECTORS

In accordance with the provisions of Section 149 of the Companies Act, 2013 and Articles of Association of the Company, your Board of Directors are seeking the re-appointment of Shri Ashok Kumar Gautam, Shri Ashok Kumar Singh and Shri Bhavin Shah who are retiring at the ensuing Annual General Meeting.

Profile of all the Directors has been given in the Explanatory Statement to the Notice of the ensuing Annual General Meeting of the Company.

Further during the year following Directors were retired and appointed:

Smt. Dr. Vasantha Bharucha

Smt. Dr. Vasantha Bharucha joined our Company on 28th September, 2010 as a Non-Executive Director. Due to her pre-occupation she opted for retirement from the Board of Directors and conveys her resignation on 22nd May, 2013. Dr. Bharucha served as a Chairman

of the Investors' Grievances Committee and Member of Audit Committee and Remuneration Committee. The Company has been able to nail down many opportunities that have come its way with the help of her suggestions and guidance. The Management would like to extend its gratitude to her regarding her valuable suggestions to the Company.

Shri Aswini Kumar Sahoo

Shri Aswini Kumar Sahoo joined our Company as on 22nd May, 2013 as a Non-Executive Director (additional) by the Board of Directors of the Company and subsequently his appointment was further confirmed by Shareholders in their 21st Annual General Meeting held on 30th September, 2013 as regular Independent Director of the Company who is liable to retire by rotation.

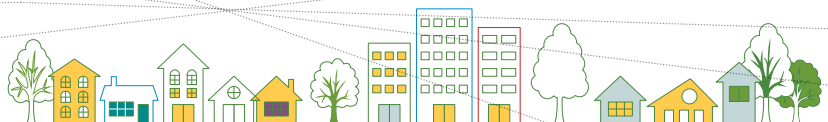
Shri Ashok Kumar Gautam

Shri Ashok Kumar Gautam was appointed by the Board of Directors of the Company as an Additional Independent Director w.e.f. 9th August, 2014.

Shri Ashok Kumar Singh

Shri Ashok Kumar Singh was appointed by the Board of Directors of the Company as an Additional Independent Director w.e.f. 3rd September, 2014.





STATUTORY AUDITORS

M/s. Vijay N. Tewar & Co., Chartered Accountants, bearing ICAI Membership No. 040676 and Statutory Auditors of the Company, retire at the forthcoming Annual General Meeting and are eligible for re-appointment.

As required under Section 139 of the Companies Act, 2013, the Company has obtained a written consent from M/s Vijay N. Tewar, of such appointment and also a certificate to the effect that their appointment, if made, would be in accordance with Section 139(1) of the Companies Act, 2013 and the rules made there under, as may be applicable.

AUDITORS' REPORT

The Auditors' Report to the shareholders does not contain any qualification.

COST AUDITOR

Pursuant to the direction from the Ministry of Corporate Affairs for appointment of Cost Auditors, our Board has re-appointed M/s. S. S. Puranik & Associates, as the Cost Auditor of our Company for the financial year 2013-14 to conduct the audit of the cost records of the Company.

SECRETARIAL AUDITOR

Pursuant to the provisions of the Companies Act, 2013, your Company has appointed M/s. Devesh Vimal & Co., as Secretarial Auditor.

DUE DILIGENCE REPORT

M/s. Swati Bhatt & Co. Practicing Company Secretary conducted due diligence audit and has submitted the report confirming compliance with the applicable provisions of Companies Act and other rules regulations issued by various regulatory authorities.

SHARE CAPITAL DURING THE YEAR UNDER REVIEW

Your Company in the financial year 2013-14 has increased its Authorised Share Capital from existing Rs.50,00,00,000 (Rupees Fifty Crores Only) divided into 5,00,00,000 (Five Crores Only) Equity Shares of Rs.10/- (Rupees Ten) each to 5,58,58,500 (Five Crores Fifty Eight Lacs Fifty Eight Thousand Five Hundred Only) Equity Shares of Rs.10/- (Rupees Ten) each and 41,41,500 (Forty One Lacs Forty One Thousand Five Hundred Only) Preference Shares of Rs. 10/- (Rupees Ten) Each Rs. 10/- (Rupees Ten) Each

Further, Company has issued 43,92,000 Share Warrants during the year under review which were converted on 20th March, 2014 in to the Equity Shares ranking parri passu with existing Equity Shares of the Company.

In addition to above Company has also issued 41,41,500 Redeemable Cumulative Preference Shares to the promoters' group companies.

DEBENTURES

In financial year 2011-12, the Company has issued Non-Convertible Debentures amounting to Rs.32 Crores in aggregating of Rs. 100 Crores (Debentures of Rs. 68 Crores were issued in financial year ended on 31st March, 2011) Rs. 1 Lacs Each at the rate of 12%, 12.25%, 12.35%, 12.50% and 12.75% to the respective Debenture Holders.

M/s. Unit Trust of India Investment Advisory Services Limited was appointed as Debenture Trustee of the Company.

Any member interested in obtaining any information regarding Debentures or Debenture holders may write to the Company Secretary at the Corporate Office of the Company.

GOVERNANCE POLICY

a) The Code of Conduct

At Diamond Group of Companies Code of Conduct is a periodically reviewed document that takes into account business practices in different parts of the globe. It is meant to be a guiding principle and is shared with all stakeholders – including employees, partners, vendors, suppliers, contractors, etc. – as it governs all aspects of fair practice.

We emphasis on major code of conducts like

- Ethics, Transparency and Accountability
- Maximising the sustainability of goods and services throughout their lifecycle





- Enriching the quality of life of employees and maximising their potential
- Inclusive growth through stakeholder engagement
- Businesses should respect and promote human rights
- Protecting the Environment
- Inclusive growth and equitable development
- Value to customers

b) Management of Business Ethics

The business ethos of the Code of Conduct is deployed through an especially formulated structure called the Management of Business Ethics (MBE). It is based on the four pillars of:

- Leadership
- Communication and Awareness
- Compliance Structure
- Evaluation of Effectiveness

c) Committees

Several focused Committees have been constituted by the Board who meet periodically to review their respective terms of reference. These include:

- Audit Committee
- Stakeholders' Grievances & Relationship Committee (Formerly known as Investors' Grievances Committee)
- Nomination and Remuneration Committee (Formerly termed as Remuneration Committee)
- Share Transfer Committee
- Debenture Issue Committee
- Corporate Social Responsibility (CSR) Committee

d) Policies

A number of policies have been put into place to ensure that governance standards are met. They are based on zero tolerance towards corruption and unethical behaviour. These include:

- Whistle Blower Policy / Vigil Mechanism
- Vendors and Suppliers Whistler Blower Policy
- Sexual Harassment Prevention and Redressal Policy.
- Policy against unethical behaviour.

INSURANCE

All the insurable interests of our Company including inventories, buildings, plant and machinery and liabilities under legislative enactments are adequately insured.

PERSONNEL

The Board of Directors wishes to express their appreciations to all the employees for their outstanding contribution to the operations of the Company during the year. Any member interested in obtaining a copy of the Statement of Particulars of employees referred to in Section 217(2A) of the Companies Act, 1956, may write to the Company Secretary at the Corporate Office of the Company.

LITIGATION

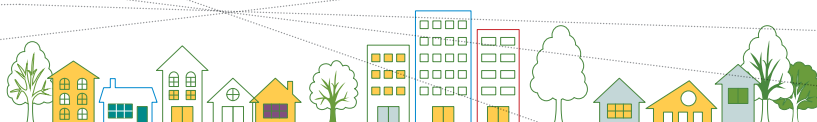
We have a core and competent team of legal department who instantaneously looks after all the material litigations. However, during the year 2013-14 under review there were no material litigations against our company as reported by legal department.

QUALITY CONTROL

It is the quality of our work which will please our Customers and not the quantity. The Company is committed to establish, sustain and strengthen the quality management system in each sphere of its operation, aiming at total customers' satisfaction.

To achieve this, it will be an endeavour of the Company to strive towards producing impeccable products, ensuring timely delivery and providing quality services to our valued customers.

In terms of quality, the Company is certified by ISO 9001:2008, ISO 14001:2004 and OHSAS 18001:2007.



ENVIRONMENT & SAFETY

The Company has given high priorities to Environment and Safety. A number of initiatives have been taken to embed a culture of safety and safe working practices in the organisation. A detailed corporate safety action plan has been prepared, including the activities that will be guided and supervised by the Management.

The Company is pro-actively complying with the Statutory, legal and other requirements related to environment, safety and occupational health as pertinent to various processes, to ensure lowest pollution levels and safe working environment throughout the organization.

We are striving to prevent accidents and injuries, lower the incidences of occupational and ill health issues across the Company by identification and documentation of all environmental aspects as well as hazard risks.

The Company is certified by ISO 14001:2004 - for Environmental Management System and OHSAS 18001:2007 for Occupational Health and Safety Management Systems.

RISK MANAGEMENT

As part of the Risk Management Process, during the year, the Company reviewed the various risks and finalized mitigation plans. These were reviewed periodically by the Management and closely monitored and reviewed the risk plans periodically.

CORPORATE GOVERNANCE

As per the requirement of Clause 49 of the Listing Agreement entered into with the Bombay Stock Exchange of India Limited and National Stock Exchange of India Limited, a detailed report on Corporate Governance is set out in this report. The Statutory Auditors of the Company have examined the Company's Compliance in this regard and have certified the same. As required under the SEBI Guidelines, such certificate is reproduced in the Report. A separate Management Discussion and Analysis Report on the company's performance are attached to this report.

The declaration given by the Managing Director and Joint Managing Director with regard to compliance of Company's code of conduct by the Board members and senior management is furnished to this report.

CORPORATE SOCIAL RESPONSIBILITY VOLUNTARY GUIDELINES

In accordance with Section 135 of the Companies Act, 2013, the Board of Directors of the Company at their meeting held on 30th May, 2014 framed CSR Committee.

DIRECTORS' RESPONSIBILITY STATEMENT

Under Section 217(2AA) of the Companies Act, 1956, the directors confirm that:

- a) In the preparation of Annual Accounts, the Company has followed the applicable Accounting Standards issued by the Institute of Chartered Accountants of India along with proper explanation relating to material departures;
- b) Such accounting policies have been selected and consistently applied and judgments and estimates made thus are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the year ended 31st March, 2014 and of the Profit /Loss for the year ended on that date;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The annual Accounts have been prepared on a going concern basis.

CONSERVATIONS OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

The particulars relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earning and Outgo as required by Companies Act, are mentioned in this Report.

ACKNOWLEDGEMENT

Our Directors would like to express their grateful appreciation for the assistance and co-operation, received from the Banks, Financial Institutions, various government authorities, customers, vendors and shareholders during the year. Our Directors also wish to place on records the deep sense of gratitude for the committed services of the executives, staff members and workers.



Report on Corporate Governance

“I believe that nothing can be greater than a business, however small it may be, that is governed by conscience; and that nothing can be meaner or more petty than a business, however large, governed without honesty and without brotherhood.”

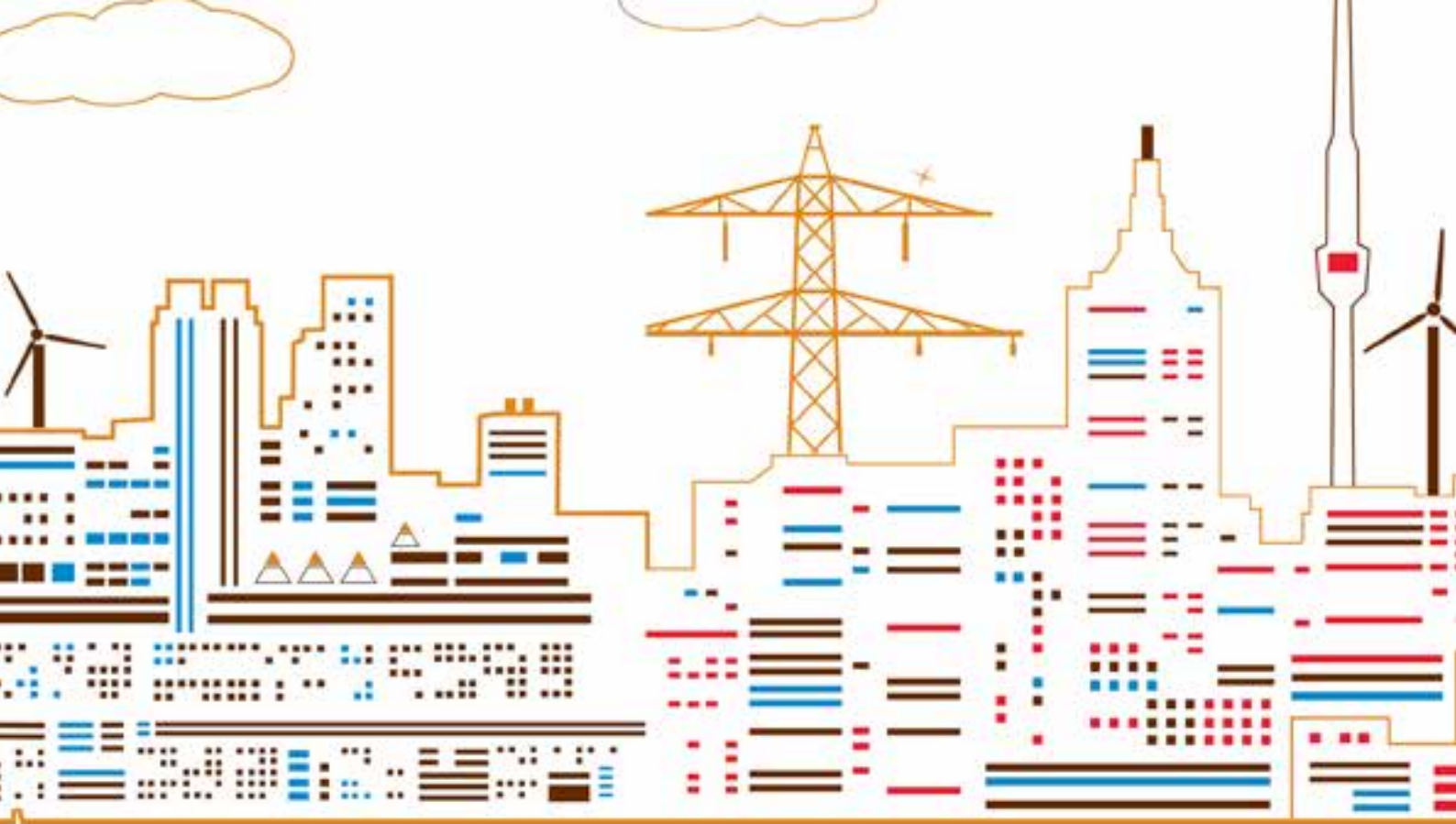
– William Hesketh Lever

Transparency and accountability are the two basic tenets of Corporate Governance. At Diamond Power Infrastructure Limited, we feel proud to belong to a Company whose visionary founders laid the foundation stone for good governance long back and made it an integral principle of the business, as demonstrated in the words above.

Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. At Diamond Power Infrastructure Limited, we are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with applicable legislation. Our Code of Business Principles is an extension of our values and reflects our continued commitment to ethical business practices across our operations. We acknowledge our individual and collective responsibilities to manage our business activities with integrity. Our Code of Business Principles inspires us to set standards which not only meet applicable legislation but go beyond in many areas of our functioning.

To succeed, we believe, requires highest standards of corporate behaviour towards everyone we work with, the communities we touch and the environment on which we have an impact. This is our road to consistent, competitive, profitable and responsible growth and creating long term value for our shareholders, our people and our business partners. The above principles have been the guiding force for whatever we do and shall continue to be so in the years to come.

The Board of Directors (‘The Board’) is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short term and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe.



BOARD OF DIRECTORS

For M/s Diamond Power Infrastructure Limited, India, corporate governance begins at the top of its Governance structure, its Board of Directors, which comprises of eminent experts who are committed to the key underlying principles and values that constitute the best standards of corporate governance.

Composition of Board of Directors

The present strength of the Board of Directors is Ten out of three Directors are executive including one of whom is Chairman of the Board and Five Directors are Independent. There is one Nominee Director and one Non-Executive Director on the board of directors, out of these one Non-Executive Director shall retire in this ensuing Annual General Meeting and being we are eligible for re-appointment. However, Nomination and Remuneration committee is under process to identify suitable name for the candidature of Woman Director on the Board of the Company.

The composition of the Board is in conformity with the Clause 49 of the Listing Agreement, which stipulates that at least fifty per cent of the Board should consist of Non-Executive Directors, Provided that where the Non-Executive Chairman is a promoter of the Company or is related to any promoter or person occupying management positions at the Board level or at one level below the Board, at least one-half of the Board of the Company shall consist of Independent Directors.

None of the Board of Directors is a member of more than 10 committees and Chairman of more than 5 committees across all the Companies in which they are Directors as per their representation.

As a mandated under the existing Clause 49 of the Listing Agreement, the Independent Directors on the Board of the Company:

- ❖ Apart from receiving Director's Remuneration, do not have any material pecuniary relationship or transactions with the Company, its promoters, Directors, Senior Management or its Holding Company, Subsidiary and Associates which may affect independence as a Director;
- ❖ Are not related to promoters or persons occupying management positions at the Board level or at one level below the Board;
- ❖ Have not been executive(s) of the Company in the immediately preceding three financial year;
- ❖ Are not partners(s) or executive(s) during the preceding three years, of any of the following:
 - i. Statutory audit firm or the Internal audit firm that is associated with the Company,
 - ii. Legal firm(s) and Consulting firm(s) that have a material association with the Company.
- ❖ Are not material supplier(s), service provider(s) or customer(s) or lessor(s) or lessee(s) of the Company, which may affect independence of the Director;
- ❖ Are not substantial shareholders of the Company i.e. do not own two per cent or more of the block of voting shares;
- ❖ Are not less than 21 years of age.

None of the Independent Directors of the Company are related to each other.



Attendance of Directors at Board Meetings, last Annual General Meeting and their Directorships and Committee positions

Details of attendance of the Directors at Board Meetings, last Annual General Meeting and their Directorships and Committee positions during the financial year under report is as under:

Name	Category / Position	No. of Board Meetings		AGM 30.09.2013	No. of other Directorship		No. of other Board Committees		Whether having any pecuniary or business relation with the Company
		Held	Attended		Member	Chairman	Member	Chairman	
Shri S.N. Bhatnagar	Ex / Chairman	4	4	Yes	4	4	3	2	None
Shri Amit Bhatnagar	Ex / Managing Director	4	4	Yes	10	-	3	1	None
Shri Sumit Bhatnagar	Ex / Joint Managing Director	4	3	Yes	9	-	4	-	None
Shri Ranvir Singh Shekhawat	NE/ Directors	4	4	Yes	1	-	3	2	None
Shri Kirit Vyas	NE/ Directors	4	4	No	3	-	2	1	None
Dr. Vasantha Bharucha*	NE/ Directors	4	1	No	-	-	3	1	None
Shri Karthik Athreya	NE / Nominee Director	4	-	No	10	-	-	-	Nominee Directors
Shri Bhavin Shah	NE/ Directors	4	4	No	2	-	-	-	Non-Executive Director
Shri Aswini Kumar Sahoo	NE/ Directors	4	3	No	3	-	-	-	None
Shri Ashok Kumar Gautam	NE/ Directors	4	-	No	-	-	-	-	None
Shri Ashok Kumar Singh	NE/ Directors	4	-	No	-	-	-	-	None

*Resigned

Number of Board Meetings Held During the Financial Year 2013-14

During the financial year ended on March 31st 2014, the Company had 4 (Four) Board meetings held at Registered Office of the Company. The gap between two meetings did not exceed four months. The dates of Board Meeting are as under: 22nd May, 2013, 24th July, 2013, 15th November, 2013 and 14th February, 2014.

Information to the Board

A detailed agenda folder has been sent to each Director in advance of the Board Meetings. As a policy, all major decisions involving investments and capital expenditure, in addition to matters which statutorily requires the approval of the Board are put up for consideration of the Board. Inter alia, the following information, as may be applicable and required, is provided to the Board as a part of the agenda papers.

- ❖ Annual operating plans & budgets and any updates
- ❖ Capital budget-purchase and disposal of plant, machinery and equipments.
- ❖ Quarterly, Half yearly and Annual results of the Company.
- ❖ Minutes of the Meetings of the Audit Committee and Other Committees of the Board.
- ❖ Information on recruitment and remuneration of senior officers just below the Board level.
- ❖ Materially important show cause, demand, prosecution notices and penalty notices, if any.
- ❖ Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- ❖ Any material default in financial obligations to and by the Company, or substantial non-payments by clients.



- ❖ Any issue, which involves possible public or product liability/claims of substantial nature, including any judgments or orders which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- ❖ Details of any joint venture agreement or collaboration agreement.
- ❖ Transactions that involve substantial payment towards goodwill, brand equity or intellectual property.
- ❖ Significant labour problems and their proposed solutions. Any significant development in human resources or on the industrial relations front such as signing of wage agreement, etc.
- ❖ Sale of material nature of investments, subsidiaries, assets, which are not in the normal course of business.

Code of Conduct

In line with the Clause 49 of the Listing Agreement, the Company's Board of Directors has laid down a 'Code of Conduct and Ethics for the Board of Directors and Senior Executives of the Company'.

The purpose of this 'Code of Conduct' is to promote conduct of business ethically in an efficient and transparent manner and to meet its obligations to shareholders and all other stakeholders.

The 'Code of Conduct' is also a tool in carrying out the Company's Business and Social responsibility in a more effective manner. The Code sets out a broad policy for one's conduct in dealing with the Company, fellow directors and employees and the external environment in which the Company operates.

All Directors and senior management have affirmed compliance with the Code for the financial year ended on March 31st, 2014.

Besides this, every employee of the Company is committed to 'Diamond Code of Ethics', as applicable to all Diamond Group Companies.

Ethics is the responsibility of every employee, and that includes all levels of management. Your Company is committed to conduct its business fairly, impartially, in an ethical and proper manner and in full compliance with all applicable laws and regulations. In conducting its business, integrity underlines in all Company relationships, including those with customers, suppliers and among employees. Your Company adapts to the highest standards of ethical business conduct and do not engage in any activity that may raise questions as to the Company's honesty, impartiality or reputation or otherwise cause embarrassment to the Company. Each employee is committed to high ethical standards.

Your Company strives to act with high ethical standards Specifically, to:

- ❖ Obey all applicable laws, regulations, and professional standards that govern its business;
- ❖ Maintain an environment of honesty, trust, and integrity;
- ❖ Safeguard its ethics and never compromise or alter them for any reason; and
- ❖ Recognise and value high ethical standards and report any unethical or illegal behaviour.

Compliance with the 'Code of Ethics' is regularly monitored by the Legal and Compliance Department of the Company.

COMMITTEES OF THE BOARD OF DIRECTORS

The Board of Directors has constituted following Board Committees:

Audit Committee

The Company has an adequately qualified and Independent Audit Committee. As on March 31, 2014, the composition of the Committee and the details of meetings attended by the members are given below:

Sr. No.	Names of Members	Position	Status	No. of Meetings	
				Held	Attended
1	Shri Ranvir Singh Shekhawat	Independent Director	Chairman	4	4
2	Dr. Vasantha Bharucha*	Independent Director	Member	4	1
3	Shri Aswini Kumar Sahoo	Independent Director	Member	4	1
4	Shri Amit Bhatnagar**	Managing Director	Member	4	4

*Resigned

** Shri Amit Bhatnagar, Managing Director of the Company attended all the meetings of the Audit Committee as an invitee Member to the Committee.

The terms of reference of the Audit Committee are wide enough covering the matters stipulated in Clause 49 of the Listing Agreement.

The terms of reference and powers of the Audit Committee shall be as mentioned in Clause 49 II (D) of the Listing Agreement entered into with the Stock Exchanges and include, inter-alia, overseeing the Company's financial reporting process, reviewing with the management the financial statements and the adequacy of the internal audit function and to discuss significant internal audit findings, statutory compliance issues and issues related to risk management and compliances.

The Audit Committee acts as a link between the Management, External and Internal Auditors and the Board of Directors.

NOMINATION AND REMUNERATION COMMITTEE (FORMERLY TERMED AS REMUNERATION COMMITTEE)

In accordance with Section 178 of the Companies Act, 2013 and as per the requirements of SEBI Circular dated 17th April, 2014 for amendment to Equity Listing Agreement (which is effective from 1st October, 2014), the Board of Directors of the Company at their meeting held on 30th May, 2014, have approved the change in nomenclature of the Remuneration Committee to Nomination and Remuneration Committee and have revised their role as under:

The revised role of the Nomination and Remuneration Committee, inter-alia, includes the following:

- ❖ Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- ❖ Formulation of criteria for evaluation of Independent Directors and the Board;
- ❖ Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- ❖ Devising a policy on Board diversity;

The Nomination and Remuneration Committee comprises of the following Directors:

Sr. No.	Names of Directors	Position	Category
1	Shri Ranvir Singh Shekhawat	Chairman	Independent Director
2	Dr. Vasantha Bharucha*	Member	Independent Director
3	Shri Kirit Vyas	Member	Independent Director
4	Shri Aswini Kumar Sahoo	Member	Independent Director

*Resigned

The objectives of the Remuneration policy are to motivate

employees to excel in their performance, recognize their contribution and retain talent in the organization and record merit, based on the performance of the employees as well as based on recommendations of the Head of Departments in case of subordinate and in case of Head of Departments Managing and Joint Managing Directors of the Company the Remuneration Committee take its decisions.

REMUNERATION TO DIRECTORS

The Table below gives the details of remuneration paid to Directors for the year ended on March 31st, 2014.

The Company has not given any Loans and Advances to any of its Directors during year 2013-14.

The Details of remuneration and sitting fees for Board and other committee meetings paid to the Directors for the year ended 31st March, 2014:

Name	Category / Position	Salary (Rs.)	Sitting Fees (Rs.)	Other Allowances (Rs.)
Shri S. N. Bhatnagar	Ex. Chairman	10662113	NIL	10555491
Shri Amit Bhatnagar	Ex. MD	9477431	NIL	9382658
Shri Sumit Bhatnagar	Ex. JMD	9477431	NIL	9382658
Shri Kirit Vyas	NE	NIL	115000	40000
Dr. Vasantha Bharucha*	NE	NIL	30000	10000
Shri Ranvir Singh Shekhawat	NE	NIL	110000	40000
Shri Karthik Athreya	NE / Nominee	NIL	NIL	NIL
Shri Bhavin Shah	NE	NIL	NIL	NIL
Shri Aswini Kumar Sahoo	NE	NIL	65000	30000
Shri Ashok Kumar Gautam	NE	NIL	NIL	NIL
Shri Ashok Kumar Singh	NE	NIL	NIL	NIL

*Resigned

REMUNERATION POLICY

Non-Executive Independent Directors

The Non-Executive Directors (NEDs) are paid remuneration by way of sitting fees only. The Board of Directors of the Company, pursuant to the relevant provisions of the Companies Act, 2013 and by virtue of Article No. 132 (3) of the Articles of Association of the Company, revised their sitting fees from Rs. 5,000 to Rs. 20,000 per each board meeting with effect from 9th November, 2011.

Further Non-Executive Independent Directors are also entitled for out of pocket expenses which include traveling and accommodation charges which are shown in other allowances as above are not forming part of Directors' Remuneration.



Amount stated above is sum total of all the remuneration including out of pocket expenses.

For each Audit Committee and Investors' Grievance Committee the fees paid to Non – Executive Independent Directors is Rs. 5,000 per meeting.

Executive Directors

The Company pays remuneration by way of salary, perquisites and allowances (fixed component) and commission (variable component) to the Managing Directors and the Executive Chairman. Salary is paid within the range approved by the Members.

Annual increments recommended by the Remuneration Committee, are placed before the Board for approval. The ceiling on perquisites and allowances as a percentage of salary is fixed by the Board. Within the prescribed ceiling, the perquisite package is recommended by the Remuneration Committee and approved by the Board. The

Commission is calculated with reference to the net profits of the Company in a particular financial year and is determined by the Board on the recommendation of the Remuneration Committee at the end of the financial year, subject to overall ceilings stipulated in Sections 197 of the Companies Act 2013. Specific amount payable to such Directors is based on the performance criteria laid down by the Board which broadly takes into account the profits earned by the Company for the year.

Management Staff

Remuneration of employees largely consists of basic remuneration, perquisites, allowances and performance incentives. The components of the total remuneration vary for different grades and are governed by industry patterns, qualifications and experience of the employee, responsibilities handled by him, his annual performance etc.

STAKEHOLDERS' GRIEVANCES & RELATIONSHIP COMMITTEE (FORMERLY KNOWN AS INVESTORS' GRIEVANCES COMMITTEE)

In accordance with Section 178(5) of the Companies Act, 2013 and as per the requirements of SEBI Circular dated 17th April, 2014 for amendment to Equity Listing Agreement (which is effective from 1st October, 2014), the Board of Directors of the Company at their meeting held on 30th May, 2014, have approved the change in nomenclature of the Investors Grievances Committee to Stakeholders' Grievances & Relationship Committee and enhanced their role. Therefore the said Committee shall in addition to the above role, also consider and resolve the grievances of debenture holders, deposit holders and other security holders of the Company.

The composition, names of the members, chairperson, and particulars of the meetings and attendance of the members during the year are as follows:

The Company has an adequately qualified and Independent Audit Committee. As on March 31, 2014, the composition of the Committee and the details of meetings attended by the members are given below:

Sr. No.	Names of Members	Position	Category	No. of Meetings	
				Held	Attended
1	Shri Kirit Vyas	Chairman	Independent Director	4	4
2	Shri Ranvir Singh Shekhawat	Member	Independent Director	4	3
3	Shri Sumit Bhatnagar	Member	Executive Director	4	3
4	Dr.Vasantha Bharucha*	Member	Independent Director	4	1

*Resigned

Four Stakeholders' Grievances & Relationship Committee Meetings were held during the year on 22nd May, 2013, 24th July, 2013, 14th November, 2013 and 14th February, 2014.

SHARE TRANSFER COMMITTEE

The reference mandated by your Board in line with the review of share transfer and transmission process and its approval a separate committee was formed.

The Composition, name of members, chairman and particulars of the meetings and attendance of the member during the year are as follows:

Sr. No.	Names of Members	Position	Category	No. of Meetings	
				Held	Attended
1	Shri S N Bhatnagar	Chairman	Executive Director	24	24
2	Shri Amit Bhatnagar	Member	Executive Director	24	24
3	Shri Sumit Bhatnagar	Member	Executive Director	24	24

Twenty Four number of meetings were held by Share Transfer Committee during the year, as per Memorandum of Transfer provided by Karvy Computershare Private Limited i.e Independent share transfer agent. The following meetings were held during the year on 5th April, 2013, 18th April,



2013, 23rd April, 2013, 13th May, 2013, 24th May, 2013, 31st May, 2013, 14th June, 2013, 24th July, 2013, 8th August, 2013, 23rd August, 2013, 17th October, 2013, 5th November, 2013, 28th November, 2013, 16th December, 2013, 30th December, 2013, 7th January, 2014, 13th January, 2014, 21st January, 2014, 27th January, 2014, 11th February, 2014, 18th February, 2014, 25th February, 2014, 6th March, 2014, 12th March, 2014.

DEBENTURES ISSUE COMMITTEE

The reference mandated by your Board for the purpose of review of process of Issue of Debentures a separate committee was formed.

The composition, names of the members, chairperson are as follows:
March, 2014:

Sr. No.	Names of Members	Position	Category
1	Shri S N Bhatnagar	Chairman	Executive Director
2	Shri Amit Bhatnagar	Member	Executive Director
3	Shri Sumit Bhatnagar	Member	Executive Director

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

In accordance with Section 135 of the Companies Act, 2013, the Board of Directors of the Company at their meeting held on 30th May, 2014, has approved the Constitution of the CSR Committee.

The composition, names of the members, chairperson are as follows:

Sr. No.	Names of Members	Position	Category
1	Shri Aswini Kumar Sahoo	Chairman	Independent Director
2	Shri Amit Bhatnagar	Member	Managing Director
3	Shri Sumit Bhatnagar	Member	Jt. Managing Director

The Board also defined the role of the Committee, which is as under:

- ❖ Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- ❖ Recommend the amount of expenditure to be incurred on the activities referred in the CSR policy
- ❖ Monitor the CSR Policy of the Company and its implementation from time to time.
- ❖ Such other functions as the Board may deem fit.

Apart from the above Committees Board of Directors also constituted Shares Allotment Committee, Preferential Issue Committee and QIP Committee.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis is given in a separate section forming part of the Directors' Report in this Annual Report.

SUBSIDIARY COMPANIES

The Subsidiaries of the Company function independently, with an adequately empowered Board of Directors and necessary management resources.

For effective governance, the Company overview the performance of its subsidiaries, inter alia, in the following manner:

- ❖ The financial statements, in particular, the investments made by the unlisted subsidiary companies, are reviewed by the Audit Committee and the Board of Directors of the Company.
- ❖ The Minutes of the Board Meetings of the subsidiary companies are placed before the Board of Directors of the Company for their review.

Details of all significant transactions and arrangements entered into by the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

DISCLOSURES

(a) Related Party Transactions

Details of materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, the Directors or the management, their subsidiaries or relatives, etc. are presented under Notes of the Balance Sheet. All details on the financial and commercial transactions, where Directors may have a potential interest, are provided to the Board. The interested Directors neither participate in the discussion, nor vote on such matters. During 2013-14, there were no related party transaction of material nature that may have a potential conflict with the interests of the Company.

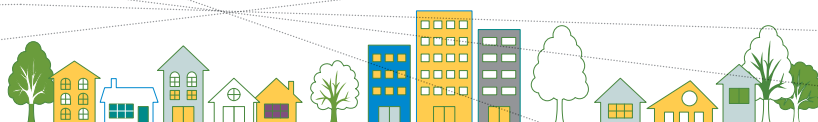
(b) Accounting treatment in preparation of financial statements

The Company has followed the Accounting standards notified by The Companies (Accounting Standards) Rules, 2006, as amended from time to time, in preparation of its financial statements.

(c) Risk Management

The Company has established a well-documented and robust risk management framework. Under this framework, risks are identified across all business processes of the Company on continuous basis. Once identified, these risks are systematically categorised as strategic risks, business risks or reporting risks.

The former looks at all risks associated with the longer term interests of the Company. The latter look at risks associated with the regular functioning of each of the processes and the risks associated with incorrect or untimely financial and non-financial reporting.



To address these risks in a comprehensive manner, each risk is mapped to the concerned department for further action. Based on this framework, Company has set in place various procedures for Risk Management.

(d) Code for Prevention of Insider Trading Practices

The Company has instituted a comprehensive Code for prevention of Insider Trading, for its Directors and designated employees, in compliance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time.

(e) CEO/CFO Certification

As required under Clause 49 (V) of the Listing Agreement with the Stock Exchanges, the Chairman & Managing Director and the Group Chief Financial Officer of the Company have certified to the Board regarding the Financial Statements for the year ended on 31st March, 2014 which is annexed to this Report.

(f) Disclosure regarding the Board of Directors

Detailed profile of the Directors who is seeking re-appointment as Director under the Companies Act, 2013 is covered under the Explanatory Statement to the Notice which is forming part of the Annual Report of the Company.

GENERAL BODY MEETINGS

Particulars about the last Three Annual General Meetings of the Company are:

Sr. No.	AGM Particulars & Date	Venue	Time	Special Resolution passed in the AGM
1	21st Annual General Meeting (2012- 13) held on 30th September, 2013	Registered Office	10.00 a.m.	Special Resolutions for <ol style="list-style-type: none"> Pursuant to the provisions of Sections 94 (1) (a) and other applicable provisions, if any, of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby increased from existing Rs.50,00,00,000 (Rupees Fifty Crores Only) divided into 5,00,00,000 (Five Crores Only) Equity Shares of Rs.10/- (Rupees Ten) each to 5,58,58,500 (Five Crores Fifty Eight Lacs Fifty Eight Thousand Five Hundred Only) Equity Shares of Rs.10/- (Rupees Ten) each and 41,41,500 (Forty One Lacs Forty One Thousand Five Hundred Only) Preference Shares of Rs. 10/- (Rupees Ten) Each. Pursuant to the provision of Section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956, issue Equity Warrant of 43, 92,000 to Independent Corporate Body on preferential basis. Pursuant to Article 9 of the Articles of Association and Section 80 and Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956, to issue 41, 41,500 Redeemable Cumulative Preference Shares of Rs. 10 each to be issued at premium of Rs. 171 each to promoter group Company.
2	20th Annual General Meeting (2011- 12) held on 28th September, 2012	Registered Office	10.00 a.m.	Special Resolutions for the re-appointment of Shri Suresh N Bhatnagar, Chairman, Shri Amit Bhatnagar and Shri Sumit Bhatnagar, Managing Director and Jt. Managing Director respectively pursuant to Sections 198, 269, 309, 310, 311 and other provisions of the Companies Act, 1956, read with Schedule XIII of the said Act.
3	19th Annual General Meeting (2010- 11) held on 20th September, 2011	Registered Office	10.30 a.m.	- Special Resolution for Amendment in the Article No. 125 and 126 of the Articles of Association of the Company, pursuant to Section 31 of the Companies Act, 1956.



MATERIAL DISCLOSURES

- ❖ There are no matters pertaining to non-compliance by the company, penalties imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.
- ❖ The Company strongly believes in Corporate Governance and advocates Whistle Blower policy, affirmation is hereby given that no personnel has been denied access to the audit committee.

MEANS OF COMMUNICATION

Your company uses several modes of communication with its external stakeholders such as announcements, press releases in newspapers and other reports to the members. Your Company's Quarterly Results are published in one English Daily newspaper and one Vernacular Daily newspaper and also forwarded to BSE & NSE. Shareholders can even visit the Company's website www.diatron.in for all the latest updates.

GENERAL SHAREHOLDER INFORMATION:

i. 22nd Annual General Meeting:

- Date: 30th September, 2014
- Time: 10.00 a.m.

vii. Market Price Data:

The Market price data (Monthly High / Low) of the company's Equity shares traded on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) during the period from 01/04/2013 to 31/03/2014 are given below:

Stock Exchange Month & Year	BSE			NSE		
	High (Rs)	Low (Rs)	No of Shares traded during the month	High (Rs)	Low (Rs)	No of Shares traded during the month
April, 2013	90.85	72.40	719677	90.70	74.90	1793265
May, 2013	99.00	68.55	1000286	99.65	68.50	953274
June, 2013	75.00	62.45	135783	75.50	62.35	213029
July, 2013	66.00	45.10	663440	65.70	46.50	1351483
August, 2013	49.05	36.40	620994	49.20	36.30	1094345
September, 2013	49.70	40.50	179429	50.00	40.15	393112
October, 2013	50.00	41.50	129163	49.80	41.30	255587
November, 2013	54.85	42.95	397287	54.70	42.50	945027
December, 2013	65.10	50.50	581649	65.45	50.00	1374774
January, 2014	61.90	47.80	270509	62.05	47.55	565140
February, 2014	51.00	41.65	187902	51.95	41.70	435291
March, 2014	53.25	40.00	658799	53.25	40.00	1216615

viii. Registrar and Transfer Agent:

Karvy Computershare Pvt. Ltd., Plot No. 17 To 24, Vittalrao Nagar, Madhapur, Hyderabad - 500 081
Tel No: 040-23420818 to 28 Ext: 188, Fax No: 040-23421971

Venue: Registered Office of the Company
Phase II, Village. Vadadala,
Taluka: Savli, Dist. Vadodara,
Gujarat, India

ii. Financial Year:

Commencing from 1st April, 2013 to 31st March, 2014

iii. Date of Book Closure:

Friday, 26th September, 2014 to Tuesday, 30th September, 2014 (both days inclusive)

iv. Record Date:

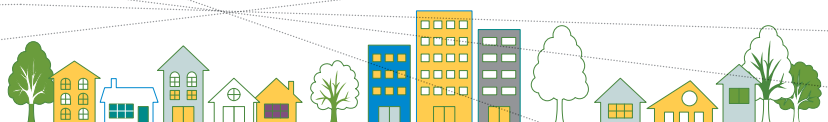
29th August, 2014

v. Listed on:

- The BSE Limited, Mumbai
 - The National Stock Exchange of India Limited, Mumbai
- The Listing Fees to National Stock Exchange of India Ltd and BSE Limited have already been paid for the year 2014-15.

vi. Stock Code:

- BSE: - 522163
- NSE: - DIAPOWER



ix. Share Transfer System:

Share Transfers in physical form can be lodged with Karvy Computershare Private Limited, Independent Share Transfer Agent, at the above mentioned address. Transfers are normally processed within 15 days from the date of receipt. If the documents are complete in all respects, Registrar, in consultation with Share Transfer Committee, is empowered to approve transfers, in addition to the powers with the Members of the Stateholders' Grievance & Relationship Committee.

Details of investors' complaints received during 1st April, 2013 to 31st March, 2014 are as follows:

Sr. No.	Nature of Complaint*	Receipt	Disposed	Pending	Remarks
1	Non- receipt of dividend warrant	126	126	0	N.A.
2	Excess/ Short payment of Dividend Warrant	0	0	0	N.A.
3	Non-receipt of Annual Reports	3	3	0	N.A.
4	Legal Notice	0	0	0	N.A.
5	Non- receipt of refund order	0	0	0	N.A.
6	Correction of name on securities	7	7	0	N.A.
7	Non Receipt of Security- Complaint relating to transfer of Shares	167	167	0	N.A.
8	Clarification regarding shares	81	81	0	N.A.

* Information is based on reports prepared by Independent Share Transfer Agent.

XI. SHAREHOLDING PATTERN AND DISTRIBUTION OF SHAREHOLDING

Shareholding pattern as on 31st March, 2014

Category	No. of Holders	Total Shares	% of Equity
Promoters Bodies Corporate	6	14871746	27.54
Resident Individuals	17568	10533829	19.51
Promoters	8	5483393	10.15
Foreign Corporate Bodies	2	5449623	10.09
Foreign Institutional Investors	6	6306050	11.68
Mutual Funds	1	200743	0.37
Trust	3	2951267	5.47
Bodies Corporates	452	6501243	12.04
Non-Resident Indians	539	1111668	2.06
HUF	451	533764	0.98
Clearing Members	80	54415	0.10
Indian Financial Institution			
Banks	3	2754	0.01
Total	19119	54000495	100.00

Distribution Schedule – Consolidated as on 31.03.2014.

Sr. no.	Category	Cases	% of Cases	Total shares	Amount	% of Amount
1	Up to 1 - 5000	14749	77.14	2455598	24555980.00	4.55
2	5001 - 10000	2408	12.59	1666316	16663160.00	3.09
3	10001 - 20000	1088	5.69	1566242	15662420.00	2.90
4	20001 - 30000	274	1.43	687570	6875700.00	1.27
5	30001 - 40000	170	0.89	611020	6110200.00	1.13
6	40001 - 50000	72	0.38	323845	3238450.00	0.60
7	50001 - 100000	161	0.84	1150990	11509900.00	2.13
8	100001 & ABOVE	197	1.03	45538914	455389140.00	84.33
	Total	19119	100.00	54000495	540004950.00	100.00

The Shareholders are requested to follow exact ISIN for the purpose of dealing in the respected securities. Presently the Equity Shares and Preference Shares of the Company are held in electronic and physical mode. The status of Equity Shares of the Company as of 31st March, 2014 is as follows:



Particulars Number of Shares % of total Equity Share

Control Report As On 31/03/2014

Sr. No	Description	No of Holders	Shares	% To Equity
1	PHYSICAL	4681	5966769	11.05%
2	NSDL	9749	43118560	79.85%
3	CDSL	4689	4915166	9.10%
Total		19119	54000495	100.00

Name, designation & address of Compliance Officer:

Shri Nishant Javlekar

Company Secretary

Diamond Power Infrastructure Limited,
"ESSEN HOUSE", 5/9-10, BIDD, Gorwa,
Baroda - 390016

Phone : 91-265-2284328, 2283969

Fax : 91-265-2280528

E-mail : cs@dicabs.com

COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

i) The Board

The Company is maintaining a separate office for the Chairman.

ii) Shareholder Rights

The Company is planning to provide a half-yearly declaration of financial performance including summary of the significant events in last six months.

iii) Audit qualifications

During the year under review, there was no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure a regime of unqualified financial statements.

iv) Training of Board Members

The Company's Board of Directors comprises of professionals with expertise in their respective fields and industry. They endeavour to keep themselves updated with changes in the economy, legislation and technologies.

v) Evaluation of Non-Executive Board Members

Mechanism for evaluation of Non-Executive Board Members
Performance evaluation of Non-Executive Board Members is done by the Board of Directors of the Company.

vi) Vigil Mechanism/Whistle Blower Policy

The Company has adopted a Vigil Mechanism (i.e. Whistle Blower Policy).

Other Shareholder Information

Corporate Identity Number (CIN)

The CIN allotted to the Company by the Ministry of Corporate Affairs, Government of India is L31300GJ1992PLC018198.

Shareholders' Queries

All the queries pertaining to the shareholders shall be referred to Share Transfer Agent of the Company.

Transfer of unclaimed dividend to Investor Education and Protection Fund

Pursuant to the provisions of Companies Act, the dividend which remains unclaimed/unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

The Shareholders are therefore requested to contact Share Transfer Agent or Company Secretary in case of their unpaid dividend.

After transfer of the said amounts to the IEPF, no claims in this respect shall lie against the IEPF or the Company nor shall any payment be made in respect of such claims.

Shares held in electronic form

Members holding shares in electronic form may please note that:-

- i) Instructions regarding bank details which they wish to have incorporated in future dividend warrants must be submitted to their Depository Participants (DP). As per the regulations of NSDL and CDSL, the Company is obliged to print bank details on the dividend warrants, as furnished by these Depositories to the Company.
- ii) Instructions already given by them for shares held in physical form will not be automatically applicable to the dividend paid on shares held in electronic form.
- iii) Instructions regarding change of address, nomination and power of attorney should be given directly to the DP.
- iv) The Company provides NECS facilities for shares held in electronic form and Members are urged to avail of this facility.

Bank Details

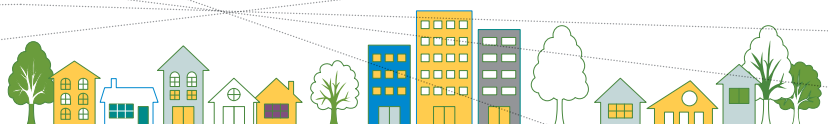
Members holding shares in physical form are requested to notify/send the following to Share transfer Agent to facilitate better servicing:-

- i) any change in their address/mandate/bank details, and
- ii) particulars of the bank in which they wish their dividend to be credited, in case they have not been furnished earlier.

Members are advised that respective bank details and address as furnished by them or by NSDL/CDSL to the Company, for shares holding physical form and in electronic form respectively, will be printed on their dividend warrants as a measure of protection against fraudulent encashment.

National Electronic Clearing Service (NECS) Facility

Under NECS facility, Members get an option to receive dividend directly to their bank account rather than receiving the same through Dividend Warrants. Members holding shares in physical form, who wish to avail NECS facility, are requested to send their NECS mandate



in the prescribed form to Share Transfer Agent, in the event they have not done so earlier. Members holding shares in dematerialised form are requested to give the NECS mandate to their respective DPs directly.

Please note that Members who do not provide details of bank accounts with banks having Core Banking Facility, as required by RBI, will receive their dividend by physical warrants.

Demat Initiative

In view of the advantages of holding shares in electronic form, Members holding their Equity Shares in physical form are urged to avail of this opportunity and Demat their holdings.

Green Initiative

Based on the 'Green Initiative' taken by the Government of India, the Company has sent out a communication to its Members that henceforth, all communications, including Annual Reports, will be e-mailed to them at their e-mail address registered with their Depository Participants/the Share Registry, unless they opt for physical copies. Facility of getting electronic communication will go a long way in saving trees and also result in substantial cost savings.

Depository Services

Members may write to the respective Depository or to Share Transfer Agent for guidance on depository services. Address for correspondence with the Depositories is as follows:

National Securities Depository Limited

Trade World, 4th Floor, Kamala Mills Compound
Senapati Bapat Marg, Lower Parel, Mumbai 400 013
Tel : 022-2499 4200, Fax : 022-2497 6351
e-mail : info@nsdl.co.in, website : www.nsdl.co.in

Central Depository Services (India) Limited

Phiroze Jeejeebhoy Towers
17th Floor, Dalal Street, Mumbai 400 023
Tel : 022-2272 3333, Fax : 022-2272 3199
e-mail : investor@cdslindia.com, website : www.cdslindia.com

Nomination Facility

Members are entitled to make nominations in respect of shares held by them. Members holding shares in physical form and intending to make/change the nomination in respect of their shares in the Company may submit their requests in Form No. 2B to Share Transfer Agent. Members holding shares in electronic form are requested to give the nomination request to their respective DPs directly.

Reconciliation of Share Capital Audit

As stipulated by SEBI, M/s. Devesh Vimal & Co., Practicing Company Secretary carries out Secretarial Audit to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges as well as placed before the Board of Directors. The audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in

physical form and the total number of shares in dematerialised form (held with NSDL and CDSL).

E-Voting Facility to members

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 22nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL).

Pursuant to the amendments made in clause 35B of the Listing Agreement by SEBI, the company has sent assent/dissent forms to the members to enable those who do not have access to e-Voting facility to cast their vote on the shareholders resolution to be passed at the ensuing Annual General Meeting, by sending their assent or dissent in writing.

Update Address/ E-Mail Address/Bank Details

To receive all communications/corporate actions promptly, members holding shares in dematerialised form are requested to please update their address/email address/bank details with the respective DPs and in case of physical shares, the updated details have to be intimated to the Registrar & Share Transfer Agents.

Electronic Service of Documents to Members at the Registered Email Address

As a responsible corporate citizen, your Company has been continuously supporting the "Green Initiatives" taken by the Ministry of Corporate Affairs, Government of India (MCA) and Securities and Exchange Board of India (SEBI).

Accordingly, in respect of Members / Members who have registered their email addresses, the Company have been dispatching all documents vide electronic form since May 2011.

In accordance with Rule 18 of the Companies (Management and Administration) Rules, 2014 notified under the Companies Act, 2013, the Companies may give Notice of the General Meetings through electronic mode. Further, the said Rule provides that advance opportunity should be given at least once in a financial year to the Members / Members for registering their email address and changes therein, as may be applicable. Further Rule 11 of the Companies (Accounts) Rules, 2014 notified under the Companies Act, 2013 provides that in case of listed companies, financial statements may be sent by electronic mode to such members / members whose shareholding is in dematerialized form and whose email Ids are registered with the Depository for communication purposes. As regards Members / Members whose shareholding is held in physical form, the financial statements may be sent in electronic mode to those members who have positively consented in writing for receiving by electronic mode.



In view of the above, the Company shall send all documents to Members like General Meeting Notices (including AGM), Annual Reports comprising Audited Financial Statements, Directors' Report, Auditors' Report and any other future communication (hereinafter referred as "documents") in electronic form, in lieu of physical form, to all those members, whose email address is registered with Depository Participant (DP)/Registrars & Share Transfer Agents (RTA) (hereinafter "registered email address") and made available to us, which has been deemed to be the member's registered email address for serving the aforesaid documents. To enable the servicing of documents electronically to the registered email address, we request the members to keep their email addresses validated/ updated from time to time. We wish to reiterate that Members holding shares in electronic form are requested to please inform any changes in their registered e-mail address to their DP from time to time and Members holding shares in

physical form have to write to our RTA, M/s Karvy Computershare Private Limited at their specified address, so as to update their registered email address from time to time.

Please note that the Annual Report of the Company will also be available on the Company's website www.diatron.in for ready reference. Members are also requested to take note that they will be entitled to be furnished, free of cost, the aforesaid documents, upon receipt of requisition from the member, any time, as a member of the Company.

For and On Behalf of the Board of Directors

(S. N. Bhatnagar)

Chairman

Date: 9th August, 2014

Place: Vadodara

Auditors Certificate on CG

To the Members,

Diamond Power Infrastructure Limited

Vadodara

We have examined the compliance of the conditions of Corporate Governance by Diamond Power Infrastructure Limited for the year ended 31st March, 2014, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges in India.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of an opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Vijay. N. Tewar & Co.**
(Chartered Accountant)

FRN:111422W

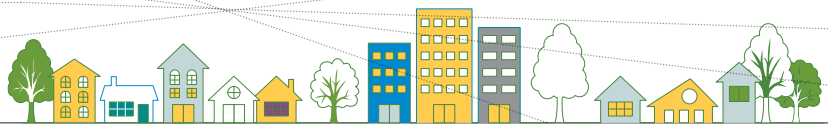
(Vijay. N. Tewar)

Proprietor

Membership No. 40676

Date: 9th August, 2014

Place: Vadodara



CEO and CFO Certification

To,
The Board of Directors
Diamond Power Infrastructure Limited
Vadodara.

9th August, 2014

We Amit Bhatnagar, Managing Director and Sumit Bhatnagar Jt. Managing Director to the best of our knowledge and belief, certify that:

1. We have reviewed the financial statements and the cash flow statement for the financial year ended 31st March, 2014 and based on our knowledge and belief, we state that:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain any statements that might be misleading.
 - (b) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. We further state that to the best of our knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
3. We hereby declare that all the members of the Board of Directors and Management Committee have confirmed compliance with the Code of Conduct as adopted by the Company.
4. We are responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the Company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and Audit Committee
 - (a) significant changes, if any, in the internal control over financial reporting during the year;
 - (b) significant changes, if any, in the accounting policies made during the year and that the same has been disclosed in the notes to the financial statements; and
 - (c) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

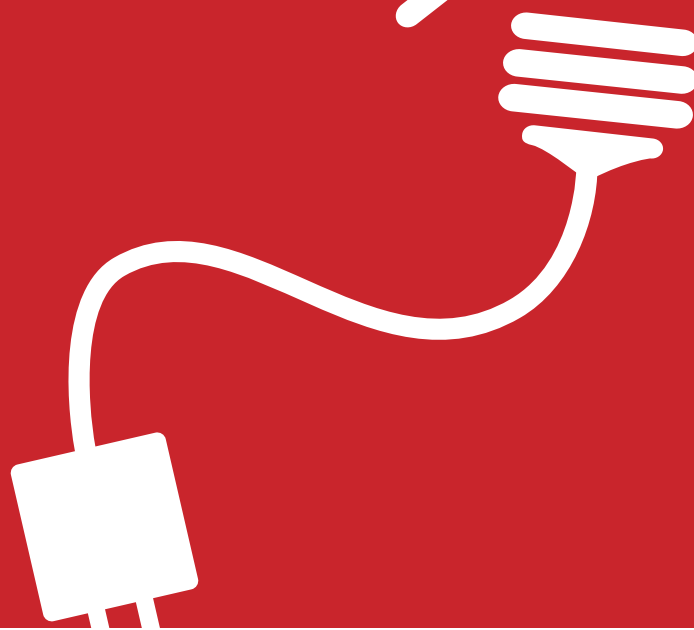
For Diamond Power Infrastructure Limited

Amit Bhatnagar
Managing Director

Dr. Sumit Bhatnagar
Jt. Managing Director

FINANCIAL SECTIONS

ANNUAL REPORT
2013-14



DIAMONDPOWER
Cables, Conductors, Transformers & Towers

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Auditors' Report

To

The Members

Diamond Power Infrastructure Ltd.

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Diamond Power Infrastructure Limited ('the company') which comprise the Balance Sheet as at 31st March 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the general circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the companies Act 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the balance sheet, of the state of affairs of the Company as at 31st March 2014;
- ii. in the case of the statement of profit and loss, of the profit for the year ended on that date; and
- iii. in the case of the cash flow statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Company's (Auditor's Report) Order, 2003 (the 'Order'), as amended by Companies (Auditors' Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act and according to the information and explanations given to us and on the basis of such checks as we considered appropriate, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Act
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 read with the general circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the companies Act 2013.; and
 - e. on the basis of written representations received from the directors as on 31st March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For **Vijay N. Tewar & Co.**

Chartered Accountants

FRN: 111422W

CA Vijay N. Tewar

Proprietor

M.N.: 040676

Date: 30.05.2014

Place: Vadodara



Annexure to the Auditors' Report

- 1 (a) The Company has maintained proper records showing all particulars including quantitative details and situation of Fixed Assets.
- (b) As explained to us, the physical verification of its fixed assets located at the plants & offices have been conducted by the management at reasonable intervals. In our opinion, the frequency of the verification is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed between the book records and the physical inventory in respect of the assets.
- (c) During the period under audit, the Company has not sold/disposed off substantial part of its Fixed Assets.
- 2 (a) Physical verification of inventory has been conducted by the management at reasonable intervals during the audit year.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stock followed by the management were found reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In case of maintaining proper records of Inventories, we are able to comment that same are maintained properly as per available records shown to us.
- 3 (i) The company has not granted loans, secured or unsecured to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Accordingly, para (3)(i)(b) to (3)(i)(e) of the order are not applicable.
- (ii) (a) The company has taken during the year loans, secured or unsecured amounting to Rs. 1,17,17,863/- from companies, firms or other parties listed in the register maintained under Section 301 of companies Act,1956. The same have been entered in the register maintain under section 301 of the Companies Act,1956.
- (b) As informed to us by the company based on management report, the terms and conditions of Loans are prima facie not prejudicial to the interest of the company.
- (c) As stated above in the para (b) the loans have been taken from the companies under the same management, but the repayments have been made as and when required.
- (d) No formal terms and conditions for payment of the principal amount and interest, so we are not in position to give our opinion that instalment payments are regular or not.
- (e) As stated in the point no (d) above, there are no stated terms and condition for the same and hence we are unable to comment whether repayment of principal and interest was regular or not.
- 4 In our opinion and according to the information and explanations given to us by the management, there is adequate internal control system commensurate with the size of the company and nature of its business with regard to purchase of stores, raw materials including components, plant and machinery, equipments and other assets and for sales of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- 5 (a) In our opinion and according to information and explanations given to us , the particulars of contracts or arrangement referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) in our opinion and according to the information and explanations given to us, the transaction made in pursuance of contracts and arrangement referred to in 5(a) above and exceeding the value of Rs.5 lakh with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- 6 According to the information and Explanations given to us, the company has not accepted any deposits from the public during the yearly within the provisions of section 58A and 58AA of the Companies Act, 1956 and rules framed there under to the extent applicable.
- 7 In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- 8 Based on the information and explanation furnished to us , the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 is applicable to the company. Cost Accountant has been appointed and preparation of compliance certificate is ongoing as on the date of the audit report .
- 9 (a) According to the records of the Company, Provident Fund, Employee State Insurance, Investors Education & Protection Fund, Income Tax, Wealth Tax, Service Tax,



Annexure to the **Auditors' Report** (Contd.)

- Sales Tax, Customs Duty, Excise Duty, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities save few instances, though the delays in deposits have not been serious.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- 10 The Company has no accumulated losses as at March 31st, 2014 and it has not incurred cash losses in the financial year ended on that date or in the immediately preceding financial year.
- 11 According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institutions or bank or debenture holders as at the Balance Sheet date.
- 12 As explained to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities.
- 13 The provision of any special statute applicable to Chit fund/ nidhi /mutual benefit fund / societies are not applicable to the company.
- 14 The company is not dealing or trading in shares, securities, debentures and other investments and hence the related reporting requirement is not applicable.
- 15 According to the information and explanations given to us, the company has given guarantees for loans taken by its subsidiaries from banks and financial institutions, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the company.
- 16 Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- 17 According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment.
- 18 According to the information and explanations given to us, the company has made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the period and the same is not prima –facie prejudicial to the interest of the company
- 19 According to the information and explanations given to us, the Company has not issued any debentures during the year .The Company has Non-convertible debentures of Rs 100 Crores.
- 20 According to the information and explanation given to us , the company has issued fully convertible equity warrant during the year to the Preferential shareholders of the company . Further the same has been converted during the year itself in the equity shares which are not prima –facie prejudicial to the interest of the company
- 21 According to the information and explanations given to us, no fraud by the company and no material fraud on the Company has been noticed or reported during the course of our audit.

For **Vijay N. Tewar & Co.**
Chartered Accountants
 FRN: 111422W
CA Vijay N. Tewar
Proprietor
 M.N.: 040676

Date: 30.05.2014
 Place: Vadodara



BALANCE SHEET

as on 31st March 2014

Rs. in Lacs

	Sch. No.	31/03/2014	31/03/2013
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	5814.20	3720.64
(b) Reserves and Surplus	2	87547.35	66477.52
(c) Money received against share warrants			
(2) Share Application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	3	63263.71	57589.17
(b) Deferred Tax Liabilities (Net)	3A	900.00	-
(c) Other Long Term Liabilities			
(d) Long Term Provisions			
(4) Current Liabilities			
(a) Short-Term Borrowings	4	63985.06	55528.72
(b) Trade Payables	5	11267.83	10290.23
(c) Other Current Liabilities	6	40284.17	37529.16
(d) Short-Term Provisions	7	2189.85	3281.89
Total Equity & Liabilities		275252.16	234417.34
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	8		
(i) Gross Block		107019.38	80558.51
(ii) Depreciation		13003.85	10016.06
(iii) Net Block		94015.53	70542.45
(b) Non-current investments	9	1707.80	1707.80
(c) Deferred tax assets (Net)	3A		
(d) Long term loans and advances	10	24218.41	22224.89
(e) Other non-current assets	11	-	-
(2) Current Assets			
(a) Current investments	12	0.60	0.60
(b) Inventories	13	114953.70	84913.17
(c) Trade receivables	14	23701.43	39931.03
(d) Cash and cash equivalents	15	9156.14	9247.19
(e) Short-term loans and advances	16	7498.55	5850.20
(f) Other current assets		-	-
Total Assets		275252.16	234417.34
Note to Accounts	25		

Notes attached thereto form an integral part of financial statement. This is the financial statement referred to in our report of even date.

For **VIJAY. N. TEWAR & CO.**
(Chartered Accountants)

VIJAY N. TEWAR
Proprietor

FRN:111422W

Membership no. 040676

Date : 30th May, 2014

Place : Vadodara

For & on behalf of the Board of Directors

S. N. BHATNAGAR
Chairman

AMIT BHATNAGAR
Managing Director

SUMIT BHATNAGAR
Joint Managing Director

NISHANT JAVLEKAR
Company Secretary



Profit & Loss Account

for the year ended 31st March 2014

Rs. in Lacs

	Sch. No.	31/03/2014	31/03/2013
I Revenue from operations	17	267429.27	212636.53
II Other Income	18	658.74	638.31
III Total Revenue (I +II)		268088.01	213274.84
IV Expenses			
Cost of materials consumed/ Purchase of Stock-in-Trade	19	270560.74	202534.24
Changes in inventories of finished goods work-in-progress and Stock-in-Trade	20	-35660.37	-16760.01
Employee Benefit Expense	21	2990.04	2568.29
Financial Costs	22	11179.79	8560.43
Depreciation and Amortization Expense	23	3509.34	3265.41
Other Administrative Expenses	24	3311.59	2398.73
Total Expenses (IV)		255891.14	202567.08
V Profit before exceptional and extraordinary items and tax	(III - IV)	12196.87	10707.76
VI Exceptional Items		-	-
VII Profit before extraordinary items and tax (V - VI)		12196.87	10707.76
VIII Extraordinary Items		-	-
IX Profit before tax (VII - VIII)		12196.87	10707.76
X Tax expense:			
(1) Current tax		900.00	1500.00
(2) Deferred tax		900.00	-
XI Profit(Loss) from the period from continuing operations	(IX-X)	10396.87	9207.76
XII Profit/(Loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV Profit/(Loss) for the period (XI + XIV)		10396.87	9207.76
XVI Proposed Dividend		-	496.08
XVII Tax on Proposed Dividend		-	80.48
Proposed Dividend (Including Tax)		-	576.56
XVIII Surplus Transferred to Balance Sheet		10396.87	8631.20

Notes attached thereto form an integral part of financial statement. This is the financial statement referred to in our report of even date.

For **VIJAY. N. TEWAR & CO.**
(Chartered Accountants)

VIJAY N. TEWAR

Proprietor

FRN:111422W

Membership no. 040676

Date : 30th May, 2014

Place : Vadodara

For & on behalf of the Board of Directors

S. N. BHATNAGAR

Chairman

AMIT BHATNAGAR

Managing Director

SUMIT BHATNAGAR

Joint Managing Director

NISHANT JAVLEKAR

Company Secretary



Standalone CASH Flow Statement

for the Year ended 31st March 2014

Rs. in Lacs

	As at 31.03.2014		As at 31.03.2013	
CASH FLOW FROM OPERATING ACTIVITIES				
Net profit as per Profit & Loss Account		10396.87		9207.76
Adjustment for:				
Depreciation	3509.34		2863.00	
Deferred Expenses	-		-	
Income Tax	1800.00		1500.00	
Interest expenses	11179.54		8560.43	
Loss on sale of Assets				
Extra Ordinary items			87.17	
Interest \ Other income Received	-658.74		-630.09	
		15830.14		12380.51
Operating profit before working capital changes		26227.01		21588.27
Change in inventories	-30040.52		-23352.62	
Change in receivables	16229.59		-21016.84	
Changes in Loans and Advances	-3641.87		-9639.01	
Change in other current Assets			-1474.73	
Change in current liabilities	3540.56		21629.64	
Net change in working capital	-13912.24	-13912.24	-33853.56	-33853.56
Cash generated from operations		12314.77		-12265.29
CASH FLOW FROM INVESTMENT ACTIVITIES				
Direct Taxes Paid	-1706.20		-1015.52	
Cash flow before Extra Ordinary / prior period items				
Interest Received	539.48		630.90	
Prior Period items (Restructuring)				
Increase of fixed assets	-26460.86		-17036.66	
Decrease in Fixed Assets				
Increase of investment	-		-	
Loss on Sale of Assets				
Net cash flow from investing activities	-27627.58	-27627.58	-17421.28	-17421.28



Standalone CASH Flow Statement

for the Year ended 31st March 2014 (Contd.)

Rs. in Lacs

	As at 31.03.2014		As at 31.03.2013	
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of share capital	2093.56			
Proceeds from Debt Re-structuring				
Proceeds from Premium	11913.16			
Increase in Secured loans	27679.92		28992.53	
Increase in unsecured loan	-13549.04		14525.27	
Decrease in reserve	-1240.21			
Interest paid	-11179.54		-8560.43	
Increase in long term & other borrowing (net)				
Dividend Paid	-496.08		-889.98	
Net cash flow from financing activities	15221.77	15221.77	34067.39	34067.39
Net Increase/Decrease in cash & cash equivalents		-91.04		4380.82
Add: Cash & cash equivalents opening	9247.18		4866.36	
Cash & cash equivalents closing	9156.14	-91.04	9247.18	4380.82

For **VIJAY. N. TEWAR & CO.***(Chartered Accountants)***VIJAY N. TEWAR***Proprietor*

FRN:111422W

Membership no. 040676

Date : 30th May, 2014

Place : Vadodara

For & on behalf of the Board of Directors

S. N. BHATNAGAR*Chairman***AMIT BHATNAGAR***Managing Director***SUMIT BHATNAGAR***Joint Managing Director***NISHANT JAVLEKAR***Company Secretary*

Auditor's Certificate

We have examined the above Cash Flow Statement of Diamond Power Infrastructure Ltd (The Company) for the year ended on March 31st 2014. The statement has been prepared by the company in accordance with the requirements of listing agreements with the stock Exchanges and is based on and in agreements with the corresponding profit and loss account and balance sheet of the Company covered by our report of even date.

For **VIJAY. N. TEWAR & CO.***(Chartered Accountants)***VIJAY N. TEWAR***Proprietor*

FRN:111422W

Membership no. 040676

Date : 30th May, 2014

Place : Vadodara



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March 2014

		Rs. in Lacs	
		Current Year	Previous Year
1	SHARE CAPITAL		
1	Authorized Capital		
	60000000 Shares (50000000 Shares) of Rs. 10 Each	6000.00	5000.00
2	Issued & Subscribed Capital		
	54680245 (37886121) Equity Shares of Rs. 10 Each	5468.02	3788.61
	4141500 (nil) Preference Shares of Rs 10 each	414.15	-
3	Paid Up Capital		
	54000495 (37206371) Equity Shares of Rs.10 Each Fully Paid - Up	5400.05	3720.64
	4141500 (nil) Preference Shares of Rs 10 each	414.15	-
Total		5814.20	3720.64

2.1 Reconciliation of number of Equity Shares and amount outstanding at the beginning and at the end of the year

	Current Year		Previous Year	
	No of Shares	Rs in Lacs	No of Shares	Rs in Lacs
Equity Shares				
Outstanding at the Beginning of the Year (Face Value Rs 10 each)	37206371	3720.64	37206371	3720.64
Add: Bonus Issue	12402124	1240.21	-	-
Preferential Issue	4392000	439.20	-	-
Outstanding at the End of the Year	54000495	5400.05	37206371	3720.64

2.2 Shareholders holding more than 5% Equity Shares in the Company as at the end of the year

Name of Shareholder	Current Year		Previous Year	
	No of Shares	% of Holding as on 31/03/2014	No of Shares	% of Holding as on 31/03/2013
Madhuri Finserve Pvt Ltd	8224550	15.23	6168413	16.58
Diamond Infosystems Ltd	3704732	6.86	2469005	6.64
Diamond Projects Ltd	2942464	5.45	2206848	5.93
Suresh N Bhatnagar	-	-	1881420	5.06
Clearwater Capital Partners Cyprus Ltd	4330881	8.02	3248161	8.73
Macquarie Bank Ltd	3868606	7.16	-	-
Kotak Mahindra Trusteeship Services Limited-A/C Ko	2944066	5.45	2208050	5.93
The Royal Bank of Scotland N.v. (London) Branch	-	-	2122297	5.70

2.3 For the period of 5 years immediately preceding the date as at which the balance Sheet is prepared

- Aggregate Number and Class of Shares allocated as fully paid up pursuant to contract(s) without payment have being received In cash NA
- Aggregate Number and Class of 12402124 Equity Shares allocated as fully paid up by way of Bonus Shares in FY 2013-14 and 7015690 Equity shares allocated as fully paid up by way of bonus share in FY 2009-10
- Aggregate Number and Class of Shares bought Back NA

2.4 The Company has one class of equity shares having a par value of Rs 10 per share & Preference Shares having per value of Rs10 per share. Each holder of equity shares is entitled to one vote per share.

2.5 Forfeited Shares

The Company had Forfeited 679750 Equity Shares on 29.04.2000 out of Issued Capital of 18250000 Equity Shares the forfeited Shares where due to Unpaid Shares calls of Rs. 7 Per.



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

		Rs. in Lacs	
		Current Year	Previous Year
2	RESERVE & SURPLUS		
1	Capital Reserve	1759.94	1759.94
2	Capital Redemption Reserve	-	-
3	Securities Premium reserve	30060.33	25229.13
4	Debenture Redemption Reserve	6940.00	2540.00
5	Preference Shares Premium	7081.97	-
6	Revaluation Reserve	-	-
7	Shares Option Outstanding Account	-	-
8	Other Reserve	25.00	25.00
9	Surplus (Profit & Loss Account)	41680.12	36923.46
	Balance brought forward from previous year	36923.46	28292.26
	Less: Bonus Share Issue	1240.21	-
	Debenture Redemption Reserve	4400.00	-
	Tax on Regular Assessment Paid	-	-
	Add : Profit for the period	10396.87	9207.76
	Less : Proposed Dividend	-	496.08
	Less : Proposed Tax on Dividend	-	80.48
	Proposed Dividend (Including Tax)	-	576.56
	Surplus Transfer to Balance Sheet	41680.12	36923.46
	Total	87547.35	66477.52

		Rs. in Lacs	
		Current Year	Previous Year
3	LONG TERM BORROWINGS		
1	Bonds / Debentures	10000.00	10000.00
2	Term Loan	-	-
	- From Bank	47179.44	27915.26
	- From Other Parties	-	-
3	Deposit	-	-
4	Loans & Advances From Related Parties	2704.20	15353.54
5	Long Term Maturities of Finance lease obligation	33.05	73.64
6	Unsecured Loans From Lender	3347.03	4246.74
7	Other Loans & Advances (Car Loan)	-	-
	Total	63263.71	57589.17

Term Loans from Banks

- Rs 8184.37 Lacs (Previous year Rs 10714.90 Lacs) Secured 1st Pari Passu Charge on the entire Fixed Assets of the company both present and Future. The Term Loan is repayable in remaining 18 equal Quarterly instalment by 30/03/2017 and present Interest rate is 12.90% p.a.
- Rs 37380.13 Lacs (Previous year Rs 18985.48 Lacs) Secured 1st Pari Passu Charge on the entire Fixed Assets of the company both Present and Future. The Term Loan is Repayable in 26 equally Quarterly instalment commencing from 30th Sep, 2014 and carries Interest rate of 12.75% pa.



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

- (c) Rs Nil (Previous year Rs. 1454.52 Lacs) secured by 1st pari passu charge on all fixed assets of the company both present & future with in 60 days from the first disbursement. 2nd pari passu charge on all current assets of the company both present & future within 60 days from the 1st disbursement. The term loan is repayable in 11 equated quarterly instalment after moratorium period carries interest rate 12.25%.
- (d) Rs. 10000 lacs (Previous Year Rs 10000 Lacs) (Non Convertible Debentures) secured by 1st pari passu charge on all fixed assets of the company both present & future with in 60 days from the first disbursement. 2nd pari passu charge on all current assets of the company both present & future within 60 days from the 1st disbursement repayment starting from 1st June 2014 carries interest rate 12.35%.
- (e) Rs 33.04 Lacs (Previous Year Rs 73.64) Loans taken for the Vehicles the present rate of interest charged is at 10.83% PA the duration of loan are for period of 36 Months from the Date of Disbursement.
- (f) Rs 50000.00 Lacs (Previous year Rs. Nil) secured by 1st pari passu charge on all fixed assets of the company both present & future with in 60 days from the first disbursement. 2nd pari passu charge on all current assets of the company both present & future within 60 days from the 1st disbursement The term loan is repayable in 11 equated quarterly instalment after moratorium period carries interest rate 12.25%.

Unsecured Loans

- Rs 3000 Lacs (Previous Year Rs 4000 Lacs) are unsecured carrying interest rate of 12.90% and repayable within 90 days from the first Disbursement.
- Rs 2704.20 Lacs (Previous Year Rs 15600.27) are towards contribution from the Promoters' group for the ongoing expansion project. During the year 4392000 Warrants were issued @120 per warrants same during the year got converted into equity shares and additionally preference share of 4141500 @181 these was equally allotted to Diamond Projects Ltd and Madhuri Finserve Pvt Ltd.

Rs. in Lacs

	Current Year	Previous Year
3A DEFERRED TAX LIABILITY (NET)		
Deferred Tax Liability		
Fixed Assets: Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	923.94	-
Gross deferred tax liability	923.94	-
Deferred Tax Assets		
Provision for Bonus shares	15.15	-
Provision for Gratuity	8.79	-
Gross deferred tax assets	23.94	-
Total	900.00	-

Rs. in Lacs

	Current Year	Previous Year
4 SHORT TERM BORROWINGS		
1 Loan Repayable on Demand	-	-
From Bank	60000.00	52289.06
Deposits/Instalment of Term Loan/DPG (Repayable within one year)	3985.06	3239.65
2 Loans & Advances from Related Parties	-	-
3 Deposits	-	-
4 Others	-	-
Total	63 985.06	55528.72



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

		Rs. in Lacs	
		Current Year	Previous Year
5	TRADES PAYABLE		
	Trade Payables		
1	Creditor for Goods (Includes Capital goods)	7906.22	8106.99
2	Creditor for Expenses	3361.62	2183.24
3	Creditor under Letter of Credit	-	-
	Total	11267.83	10290.23

		Rs. in Lacs	
		Current Year	Previous Year
6	OTHER CURRENT LIABILITIES		
1	Duties & Taxes Payable	535.62	263.39
2	Statutory Liability Payable	322.45	315.99
3	Bills Payable	29296.71	34006.75
4	Advance from Customer	8406.08	875.54
5	Other Liabilities Payable	1723.31	2067.48
	Total	40284.17	37529.16

		Rs. in Lacs	
		Current Year	Previous Year
7	SHORT TERM PROVISIONS		
1	Provision for Employees Benefit		
	Employee Dues Payable	118.99	89.17
2	Others		
	Provision for Taxation	2007.63	1499.24
	Provision for Dividend	-	496.08
	Provision for Dividend Tax	-	507.26
	Provision for Expenses	63.23	690.13
	Total	2189.85	3281.89



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March 2014 (Contd.)

		Rs. in Lacs									
8	FIXED ASSETS	Op. Bal. 01.04.2013	Addition	Dedu.	31.03.2014	01.04.2013	Dedu.	For the year	31.03.2014	01.04.2013	31.03.2014
	Gross Block										
	Land & Site Development	795.95	0.73	-	796.68	-	-	-	795.95	795.95	796.68
	Building	4240.31	2035.02	-	6275.33	699.95	-	149.26	849.21	3540.36	5426.12
	Plant & Machinery	34520.99	16978.48	-	51499.47	8580.78	-	2702.97	11283.75	25940.22	40215.73
	Electrical Installation	780.63	1180.05	-	1960.68	290.91	-	67.11	358.02	489.72	1602.66
	Furniture & Fixture/ Equipments	251.66	3.09	-	254.75	125.21	-	16.03	141.24	126.45	113.51
	Computers	187.92	21.60	-	209.52	172.63	-	30.78	203.41	15.29	6.11
	Vehicles	383.54	78.91	18.16	444.29	145.34	15.10	36.74	166.98	238.20	277.31
	Other Assets	1.24	-	-	1.24	1.24	-	-	1.24	-	-
	Pre-Project	737.39	122.76	351.83	508.33	-	-	-	-	737.39	508.33
	Total	41899.65	20420.64	370.00	61950.29	10016.06	15.10	3002.90	13003.85	31883.59	48946.44
	Capital Work in Progress	38658.87	26626.10	20215.88	45069.09	-	-	-	-	38658.87	45069.09
	Grand Total	80558.51	47046.74	20585.87	107019.38	10016.06	15.10	3002.90	13003.85	70542.45	94015.53



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

		Rs. in Lacs	
		Current Year	Previous Year
9	NON CURRENT INVESTMENT		
1	Investment in Property	-	-
2	Investment in Equity Instrument (Unquoted Shares)	1657.80	1657.80
3	Investment in Preference shares	-	-
4	Investment in Government or Trust Securities	-	-
5	Investment in Debentures & Bonds	-	-
6	Investment in Mutual Fund	-	-
	Baroda Pioneer Equity Fund	50.00	50.00
7	Investment in Partnership Firm	-	-
8	Other	-	-
	Total	1707.80	1707.80

		Rs. in Lacs	
		Current Year	Previous Year
10	LONG TERM LOANS AND ADVANCES		
I)	Capital Assets		
a)	Secured Considered Good	19114.08	17722.90
b)	Unsecured Considered Good		
c)	Doubtful		
II)	Security Deposit		
a)	Secured Considered Good		
	Government Deposits	1.45	1.45
	Security Deposit	1346.49	1338.12
	Earnest Money Deposit	328.84	200.02
	Lease Rent	751.88	740.71
	Other Deposit	251.52	288.51
b)	Unsecured Considered Good		
c)	Doubtful		
III)	Loans & Advances to related parties		
	Apex Power Equipments Pvt Ltd	2306.66	1827.49
	Diamond E.H.V. Conductors	0.04	0.04
	Madhuri Finserve Pvt Ltd	0.00	0.00
	Maktel Power Ltd	55.13	105.13
IV)	Other Loans & Advances		
	Other Advances	62.33	0.51
	Total	24218.41	22224.89



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

		Rs. in Lacs	
		Current Year	Previous Year
11	OTHER NON CURRENT ASSETS		
1	Long Term Trade Receivables	-	-
	a) Secured Considered Good :	-	-
	b) Unsecured Considered Good :	-	-
	c) Doubtful	-	-
2	Others	-	-
	Total	-	-

		Rs. in Lacs	
		Current Year	Previous Year
12	CURRENT INVESTMENT		
	Investment in Equity	-	-
	Investment in Preference Shares	-	-
	Investment in Govt Securities	-	-
	Investment in debentures & Bonds	-	-
	Investment in Mutual Fund	-	-
	Investment in Partnership Firm	-	-
	In Short term Fixed Deposits	0.60	0.60
	Total	0.60	0.60

		Rs. in Lacs	
		Current Year	Previous Year
13	INVENTORIES		
	Raw Material	2920.26	6033.81
	Work-in-Progress	98800.16	55196.29
	Finished Goods	505.33	8448.88
	Stock-in-Trade	4250.32	7352.67
	Packaging Material	9.08	282.20
	Consumable Stores	478.33	490.06
	Fuel & Gases	180.57	1.67
	Goods in Transit	7751.75	6914.15
	Finished Goods- (RM-Bought Out)	57.90	193.44
	Total	114953.70	84913.17

		Rs. in Lacs	
		Current Year	Previous Year
14	TRADE RECEIVABLES		
1	Outstanding for less than six months		
	a) Secured Considered Good :	23701.43	39931.03
	b) Unsecured Considered Good :	-	-
	c) Doubtful	-	-
2	Others		
	a) Secured Considered Good :	-	-
	b) Unsecured Considered Good :	-	-
	c) Doubtful	-	-
	Total	23701.43	39931.03



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

Rs. in Lacs

	Current Year	Previous Year
15 CASH & CASH EQUIVALENT		
1 Cash-in-Hand		
Cash Balance	1.41	0.09
Petty Cash Balance	0.07	0.07
Sub Total (A)	1.48	0.16
2 Bank Balance	536.34	2676.43
Margin Money	8618.32	6570.60
Sub Total (B)	9154.66	9247.03
3 Cheques on Hand (C)	-	-
Total [A + B + C]	9156.14	9247.19

Rs. in Lacs

	Current Year	Previous Year
16 SHORT TERMS LOANS AND ADVANCES		
1 Loans & Advances from related parties		
a) Secured Considered Good :		
Advance to Associate Concerns		
Diamond Power Transformers Ltd	685.47	185.70
Diamond Global Holding Ltd	165.09	55.30
b) Unsecured Considered Good :		
Staff	6.00	7.29
Other Advances	132.70	93.30
c) Doubtful	-	-
2 Others		
Advance Recoverable in cash or in kind or for value to be considered good		
Advance to Suppliers	-	-
Advance Income Tax/Refund Due	-	-
Prepaid Expenses	445.03	701.77
PLA	0.14	0.14
Cenvat	3481.54	2841.23
Service Tax	2092.73	1594.18
Tax Deducted at Source	42.91	42.77
Income Tax	287.11	168.70
Electricity Duty Refund	2.30	2.30
Sales Tax Advance	157.52	157.52
VAT	-	-
Interest	-	-
Total	7498.55	5850.20



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

		Rs. in Lacs	
		Current Year	Previous Year
17	REVENUE FROM OPERATIONS		
1	Domestic Sales (Exclusive of Excise Duty)	266878.34	212317.76
2	Trading of Goods	-	-
3	Others	550.92	318.77
	Total	267429.27	212636.53

		Rs. in Lacs	
		Current Year	Previous Year
18	OTHER INCOME		
1	Dividend Received	0.01	0.00
2	Interest on FDR	-	-
3	Interest Received	567.27	630.02
4	Notice Pay Recovered	4.17	4.34
5	Claim Received	-	-
6	Other Income	87.29	3.95
	Total	658.74	638.31

		Rs. in Lacs	
		Current Year	Previous Year
19	COST OF MATERIAL CONSUMED		
a)	Purchases of raw materials and stores		
	Conductor	72289.82	53598.42
	Cables	142607.19	104473.96
	EPC	14910.57	14540.02
	Transformer	-	-
	Tower	36894.77	25130.87
	Sub Total (a)	266702.34	197743.28
b)	Direct/productions expenses		
	Cartage & Transport	193.74	275.42
	Excise Duty Paid	71.27	1044.28
	Calibration Expenses	3.40	1.30
	Consumable Stores	471.23	380.17
	Conversion/labour charges	-	-
	Repair & Maintenance (Plant & Machinery)	4.66	12.84
	Factory Expenses	58.01	46.18
	Insurance Expenses	75.24	36.37
	Packing Material	1604.88	1441.35
	Detention & Demurrage Charges	57.53	35.99
	Diesel for Generator	-	-
	Electricity Expenses	-	-
	Security Charges	-	-
	Survey Charges -- Infrastructure	4.70	23.82
	Air Time Charges	-	0.14
	Transmission Charges (Wind Power)	81.96	62.33
	Job Work Charges	39.00	182.00
	Power & Fuel Expenses	1192.79	1248.77
	Sub-total (b)	3858.40	4790.96
	Total	270560.74	202534.24



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

		Rs. in Lacs	
		Current Year	Previous Year
20	CHANGE IN INVENTORIES		
1	Opening Stock of WIP & Finished Goods	63645.13	46885.11
2	Closing Stock of WIP & Finished Goods	99305.49	63645.13
3	WIP Increase / Decrease Division wise	-	-
	Total	-35660.37	-16760.01

		Rs. in Lacs	
		Current Year	Previous Year
21	EMPLOYMENT BENEFIT EXPENSES		
1	Bonus	15.19	15.25
2	Director's Remuneration (Net)	195.97	171.20
3	House Rent Allowance	86.20	81.56
4	Leave wages / Salary	-	0.01
5	Medical Allowances	0.57	1.15
6	Medical Expenses	61.49	52.95
7	Provident Fund Expenses (P.F. & F.P.F)	48.78	45.91
8	Salary & Wages	1182.24	1048.21
9	Staff & Labour Welfare	34.24	68.20
10	Labour Contract Charges	1328.92	1043.91
11	Stipend	1.15	1.34
12	Telephone Allowance	35.31	38.58
	Total	2990.04	2568.29

		Rs. in Lacs	
		Current Year	Previous Year
22	FINANCIAL COST		
1	Interest on Cash Credit facility	10686.21	7440.42
2	Interest on Other loans	21.10	86.22
3	Bank Charges (Including LC Bank Guarantee & Bill Discounting Charges & Others)	472.47	683.27
4	Bank Guarantee Charges	-	-
6	Gain / Loss Exchange Rate Fluctuation	-	350.52
7	Other Interest Paid	-	-
8	Renewal Charges of Bank CC A/c	-	-
	Total	11179.79	8560.43

		Rs. in Lacs	
		Current Year	Previous Year
23	DEPRECIATION & AMORTISED COST		
1	Depreciation	3002.90	2863.01
2	Preliminary Expenses W/O	-	-
3	Amortisation Expenses	506.44	402.40
	Total	3509.34	3265.41



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

		Rs. in Lacs	
		Current Year	Previous Year
24	OTHER ADMINISTRATIVE EXPENSES		
1	Audit Fees	18.30	16.23
2	Consultancy Charges	21.63	10.12
3	Conveyance Expenses	13.72	13.39
4	CSR Activities- Donation	7.04	7.62
5	Electricity Expenses	44.59	16.52
6	Legal & Professional charges	241.15	209.06
7	Post Tele. & Courier Charges	7.34	8.65
8	Exchange Fluctuation	-	-
9	Rent Rates & Taxes	221.22	118.67
10	Application Fees	0.50	0.00
11	Repairs & Maintenance Others	72.01	72.10
12	Printing & Stationary Expenses	14.19	13.80
13	Tender fees	-	-
14	Training Expenses	-	-
15	Sundry Expenses	43.75	17.77
16	Travelling Expenses	145.86	131.09
17	Vehicles Expenses	105.39	63.96
18	Office Expenses	190.89	23.49
19	Software Expenses	12.12	7.66
20	Insurance Exp (Car)	-	-
21	Mis .Expenses	0.58	-
22	Service Tax Expenses	21.57	19.43
23	Documentation Charges	-	-
24	Penalty	-	0.15
25	Hospitality Expense	12.72	25.05
26	Loss on Sales of Fixed Asset	0.76	1.22
27	Professional Tax	-	-
28	Preliminary Exp. Written off	-	-
29	Foreign Travel (Others)	16.03	3.68
30	House Keeping Expenses	56.34	37.20
31	Sundry Balances Written off	2.08	0.71
32	Bad Debts	-	-
33	Advertising Expenses	126.00	271.03
34	Sales Promotion Expenses	72.44	75.56
35	Commission on Sales	362.24	216.29
36	Marketing Expenses	1481.16	1018.28
37	Deferred Sales Liability	-	-
38	Income Tax for Prior Period	-	-
39	Vat /CST	-	-
40	Vat Paid	-	-
	Total	3311.59	2398.73



Schedules

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

25 SIGNIFICANT ACCOUNTING POLICIES CONTINGENT LIABILITIES AND NOTES

A. Statement of Significant Accounting Policy

1. **Method of Accounting:** The Financial Statements have been prepared on historical cost convention. The Company follows the accrual basis of accounting. The Financial Statements are prepared in accordance with the accounting standards specified in the Companies (Accounting Standards) Rules 2006 notified by the Central Government in terms of Section 211(3C) of the Companies Act 1956.
2. **Revenue Recognition:** Sales includes inter-divisional transfers sale of scrap Sales, Outsource Products, Sales related to Engineering Procurement and Contract Services, Excise duty Paid, Value Added tax and Invoices for price escalation as per Contracts with the relevant customers on accrual basis.
3. **Fixed Assets:** Fixed Assets are stated at cost less accumulated depreciation up to the year.
Expenditure incurred on improvement or replacement, which in the opinion of the management is likely to substantially increase the life of the assets and future benefits from it is capitalized. Capital expenditure includes advances for assets under erection/installation are being grouped under capital work in progress.
4. **Depreciation on Fixed Assets:** Depreciation on fixed assets is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management or those prescribed under the Schedule XIV to the Companies Act, 1956 whichever is higher. The Company has used the following rates to provide depreciation on its fixed assets.

	Rates (SLM)
Factory buildings	3.34%
Plant and machinery	7.42%
Office equipment	6.33%
Furniture and fixtures	6.33%
Vehicles	9.50%
Computers	16.21%
Electrical instrument	7.42%

5. **Expenditure during construction period:** All pre-operative project expenditure (net of income accrued) including interest on borrowings incurred up to the date of installation is capitalized are added pro-rata to the cost of fixed assets. Foundation costs are allocated as certified by management.
6. **Investment:** Long-term investments are valued at cost. Provision is made for diminution other than temporary in the value of investments.
7. **Inventories:**
 - a) Inventories of finished goods are valued at lower of costs or net realizable value inclusive of excise duty. Work in process (including finished stock pending QC inspection) is valued at cost representing material labour and apportioned overheads as certified by the management. Other inventories are valued at cost. Materials related

to Projects under implementation are valued at standard cost.

- b) Cost of work-in-progress and finished goods includes material cost, labour cost and manufacturing overheads absorbed on the basis of normal capacity of production.
8. **Provident Fund and Retirement Benefits:** Contribution to Provident Fund is accounted on actual liability basis. Provision for Gratuity and Leave Encashment is made based on actuarial valuation.
9. **Excise Duty:** Excise Duty payable on finished goods held as stock in the works is included in the expenditure and in such stocks as per the provisions of Section 145 of the Income tax Act 1961.
10. **Amortisation:** Expenditure on Fire Resistant Low Smoke Project (FRLS) & High Sensitivity & High Conductivity Conductors (HSHC) have been amortized over a period of five years. One-fifth portion of the expenses deferred on Aerial Bunch Cable Project (ABC Project) have been charged to the revenue for the financial period.
11. **Foreign Currency Transactions:** The Company has no Branch offices outside India. The Foreign currency transaction are recorded on initial recognition in the reporting currency by applying the exchange rate prevailing at the date of transaction. Any Income or Expense on account of exchange rate difference is recognized in the Income and Expenditure Account
12. **Borrowing Costs:** Borrowing costs that are attributable to the acquisition construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.
13. **Income Tax:** Provision for Current Income Tax is made after considering Company's claims under the Income Tax Act, 1961. This Liability is calculated at the applicable tax rate or Minimum Alternate Rate under Section 115JB of the Income Tax Act, 1961 as the case may be.
14. **Deferred Tax:** Deferred Tax is Calculated at the tax rates and Laws that have been enacted or substantially enacted as of Balance Sheet date and is recognized on timing differences that originated in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets subject to consideration of prudence are recognized and carried forward only to the extent that they can be released.
15. **Impairment of Assets:** The Company has examined carrying cost of its identified Cash Generating Units (CGU) by comparing present value of estimated future cash flows from such CGUs in terms of Accounting Standard-28 on impairment of Assets and in absence of any indication of being potential impairment of Assets no provision for impairment is required as assets of none of CGUs are impaired during the financial year under consideration.
16. **Uses of Estimates:** The preparation of financial statement in conformity with India GAAP requires



Schedules

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

25 SIGNIFICANT ACCOUNTING POLICIES CONTINGENT LIABILITIES AND NOTES

the management to make judgments estimates and assumptions that affect the reported amounts of revenues expenses assets and liabilities and the disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions uncertainly about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

17. **Derivative Contracts:** Company as such in the current financial year has not entered into any such Derivative Contracts.
18. **Operating Cycle :** Assets and liabilities other than those relating to long-term contracts (i.e. supply or turnkey contracts) are classified as current if it is expected to realise or settle within 12 months after the balance sheet date. In case of long-term contracts the time between acquisition of assets for processing and realisation of the entire proceeds under the contracts in cash or cash equivalent exceeds one year. Accordingly for classification of assets and liabilities related to such contracts as current duration of each contract is considered as its operating cycle

Part B Notes to Accounts

1. Contingent Liabilities

- (a) Letter of Credit opened Rs.1933.09 Million (Previous Year Rs. 3879.16 Million); materials under all letters of credit have been received and accounted for as Creditors. Buyer's credit opened Rs. 74.76 Million (Previous Year Rs. NIL) materials under all Buyer's credit have been received and accounted for as Creditors.
- (b) Outstanding Inland Bank Guarantees as of March 31 2014 is Rs. 1403.11 Million (Previous Year Rs.1775.00 Million) and outstanding Foreign Bank Guarantees as of March 312014 is \$ 5.51 Million (Previous Year NIL)
- (c) Income tax demands being in appeal not provided for Rs. NIL (previous year Rs Nil).
- (d) There are no outstanding Claims against the Company.
- (e) Corporate guarantees issued to wholly owned subsidiary – Diamond Power Transformers Ltd. In favour of Indian Overseas Bank
2. The company has been sanctioned the fund based and non-fund based working capital facilities of Rs. 1280 Millions from the Axis Bank Ltd. ; Rs. 3500 Million from the Bank of India; Rs. 1590 Million from the ICICI Bank Ltd.: Rs. 2860 Million from the Bank of Baroda Rs 2100 Million from Allahabad Bank & Rs 840.7 Millions from Dena Bank Rs. 622 Millions from Indian Overseas Bank Rs 500 Millions from State Bank of Mysore & Rs. 1000 Millions against the security of first pari passu charge on the entire current assets of the company by way of Hypothecation agreement and the second pari passu charge on the entire fixed assets of the company.
3. Balance confirmation letters were sent out to various debtors and creditors. The confirmation of most of the Debtors and creditors is received.
4. The method of valuation of inventories adopted by the company is in accordance with the requirements of

Accounting Standard 2 (Valuation of Inventories and as revised from time to time) issued by the Institute of Chartered Accountants of India.

5. In the opinion of the Management all the current assets loans and advances and deposits are realizable at value stated in the ordinary course of the business which are at least equal to the amount at which they are stated in the books unless otherwise explicit.
6. **Segmental Reporting:**
The company is primarily engaged in the manufacture of conductors, cables and selling out- sourced products and EPC Contracts. As the company's manufacturing facilities are inter woven/ inter- mix due to the nature of its business with the EPC business it is not possible to directly and specifically attribute or allocate on a reasonable basis the expenses assets & liabilities in different Segments. The segmental Sales product wise are as follows:

	Rs. in Millions	
	2013-14	2012-13
Gross Segment Revenue		
Conductor	7389.06	5942.54
Cables (LT & HT)	14857.40	11829.37
Turnkey Project [EPC] & Transmission Tower	5411.67	4333.86
Total Gross Sales	27658.14	22105.77
Less: Inter Segment Sales	12.51	-
Gross Sales	27645.63	22105.77
Less: Excise Duty	902.68	842.11
Net Sales	26742.95	21263.66

7. Share Holding in Various Companies :

The Company holds the following shares

- (1) 99.60% in its Subsidiary Diamond Power Transformers Ltd.
- (2) 100% in its Subsidiary Diamond Power Global Holding Ltd – Dubai

8. Related Party Disclosures :

(A) Particulars of Associates of the Company:

Name of the Related Party	Nature of Relationship
1 Diamond Info systems Ltd.	Associate Company of DPIL
2 Diamond Projects Ltd.	Associate Company of DPIL

(B) Subsidiary Company:

Name of the Subsidiary
1 Diamond Power Transformers Ltd
2 Diamond Power Global Holding Ltd



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

25 SIGNIFICANT ACCOUNTING POLICIES CONTINGENT LIABILITIES AND NOTES

(C) Key Management Personnel and their Relatives:

Key Management Personnel and their Relatives	Nature of Relationship
1 Mr. S.N. Bhatnagar	Chairman
2 Mr. Amit Bhatnagar	Managing Director
3 Dr. Sumit Bhatnagar	Jt. Managing Director

(D) Relatives of Key Management Personnel:

Key Management Relatives	
1	Smt Madhurilata Bhatnagar
2	Smt Mona Bhatnagar
3	Smt Richa Bhatnagar

(E) Enterprise under Significant influence of Key Management Personnel: None

(F) Summary of the Transaction with Related Parties and it's Associate Companies:

Particulars	Associate	Key Management Personnel	Relative of key Management Personnel	Ent. Under significant Influence of key Mgt. Personnel & their relatives	Rs. in Lacs
					Total
Purchase/ (sales) of Goods	3566.12	Nil	Nil	Nil	3566.12
Receipts/ Rendering of services	Nil	Nil	Nil	Nil	Nil
Rent (Paid)/ Recd.	6.12	Nil	Nil	Nil	6.12
Advances Recd/(Given)	62.35	45.47	9.36	Nil	117.18
Directors Remuneration	Nil	596.74	Nil	Nil	596.74
Outstanding Receivable as on 31.03.2014	Nil	Nil	Nil	Nil	Nil

Note: The above information has been determined to the extent such parties have been identified on the basis of information provided by the Company and approved by the Board of Directors of the Company which has been relied upon by the Auditors. Enterprise under the same management include Wholly Owned Subsidiary Diamond Power Transformers Ltd.

9. Earnings Per Share (EPS) :

	Rs. in Millions	
	March 31 2014	March 31 2013
Earnings Per Share (EPS)		
I Profit Computation for both Basic and Diluted Earnings Per Share of Rs.10 each		
Net Profit as per Profit & Loss Account available for Equity Shareholders	1039.69	920.77
II Weighted average number of equity shares for Earnings per share computation		
(A) For Basic Earnings per Share	44644093	37206371
(B) For Diluted Earnings per Share No. of shares for Basic EPS as per II A	44644093	37206371
Add: Weighted Average outstanding Option / Shares deemed to be issued for no consideration		-
No. of shares for Diluted Earnings per share	44644093	37206371
III Earnings per Share (Weighted Average)		
Basic	23.29	24.75
Diluted	23.29	24.75

10. Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated After filing of the Memorandum in accordance with the 'Micro Small and Medium Enterprises Development Act 2006' ('the Act'). Accordingly the disclosure in respect of the amounts payable to such enterprises as at March 31, 2011 has been made in the financial statements based on information received and available with the Company. Detail of the Small Scale Industries (SSI) units which have supplied the materials to the company and to whom the company owes a sum exceeding Rs 1.00 Lacs and which is outstanding for more than 30 days is Nil



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

Note: The above Information regarding Small Scale Industrial undertaking has been determined to the extent such parties has been identified on the basis of information available with the company. The same has been relied upon by the Auditors, to confirm names/figures

11. Sales include an amount of Rs Nil (Net of Duty) of inter- unit Transfer (Previous year Rs NIL).
12. Aggregate directors' Remuneration is Rs. 59.67 Million (Previous year Rs. 17.12 Million). The remuneration of directors is as per the approval accorded by Remuneration Committee shareholders and Central Government as per the provisions of section 311 read with Schedule XIII of the Companies Act, 1956.
13. Aggregate Auditor's Remuneration is fixed at Rs. 1.62 Million (Previous year Rs 1.62 Million) which includes Rs 1.50 Million as Audit Fees (Previous year Rs 1.50 Millions).
14. As per Accounting Policy (10) on excise duty the excise duty payable on finished goods in stocks at works amounting to Rs 7.13 Million (previous year Rs 104.43 Million) has been included in the expenditure and in such stocks. However the same has no impact on the profit for the year.
15. There are no amounts due and outstanding to be credited to Investor Education and Protection Fund.
16. **Details of Licensed, Installed Capacities and Production:**

Goods Manufactured	Licensed Capacity	Installed Capacity Current Year	Production Current Year 12 Months	Production Previous Year 12 Months
All Aluminium Alloy Conductors & ACSR Conductor (Excluding Conductors used In Cables)	NA	50500 MTPA	44810 MTPA	43035 MTPA
LT Electric Power Cables & Control Cables	NA	34300 Kms	33320 Kms	30589 Kms
HT Cables	NA	5600 Kms	5518 Kms	5485 Kms
EHV Cables	NA	2000 Kms	1527Kms	1035 Kms
Transmission Towers		48000 MTPA	47374 MTPA	47031 MTPA

Consumption of Assorted Wire / Wire rods is not provided as they are totally consumed in-house for manufacture of conductors. Installed capacity and capacity utilization are as certified by the management and not verified by the auditors being a technical matter. The quantity in Kms. cannot comparable as the weight per Kms of each conductor varies on the cross section area and current carrying capacity. Hence the production has been shown in Kms. The Quantity are usually taken as per relevant IS standards.

17. **Details of Raw Materials Consumed (including captive consumption)**

Description of Item	U.O.M	Quantity For the year 2013-14	Quantity For the year 2012-13
Aluminium	M.Ts.	101041	84646
Copper	M.Ts.	3347	2861

18. **Value of Imported and indigenous Raw Material Consumed and Percentage thereof:**

Raw Materials	Rs. in Millions	
	Current year (2013-14)	Previous year (2012-13)
Imported	334.60	507.91
Indigenous	26721.47	19266.42

19. **Particulars of Sales and Stocks:**

Item	U.O.M	Opening Stock	Sales	Closing Stock
Conductors	Kms.	1908.35	120926.00	2763.29
Cables	Kms.	2216.40	39365.00	2415.87
Transmission Tower	MT	23.00	47240.00	28.00

SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

20. Expenditure in Foreign Currency

Particular	Rs. in Millions	
	2013-14	2012-13
Import on CIF Basis	747.85	827.28
Travelling Expenses	3.13	5.05
Others	2.16	1.63

21. Income in Foreign currency

(FOB Value of Export)

Particular	Rs. in Millions	
	2013-14	2012-13
Exports	151.42	Nil
Foreign exchange fluctuation	20.22	Nil

22. Gratuity

The company operates one defined plans viz gratuity for its employees. Under the gratuity plan every employee who has completed at least 5 years of services gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service.

The following tables summarize the components of net benefit expenses recognized in the statement of Profit & Loss and the liability as per report shown in Balance sheet.

Expense Recognized In The Income Statement

Particular	Rs. in Millions	
	2013-14	2012-13
Current service cost	0.29	-
Interest cost	0.56	-
Actual (gain)/losses	0.28	-
Expenses Recognized In P & L	1.13	-

Balance Sheet-Benefit Asset/Liability

Particular	Rs. in Millions	
	2013-14	2012-13
Present value of defined benefit obligation	-7.92	-
Fair value of plant asset	-	-
Plan Asset Liability	-7.92	-

Changes In The Present Value of Defined Benefit Obligations Are As Follows

Particular	Rs. in Millions	
	2013-14	2012-13
Opening defined benefit obligations	6.96	-
Interest cost	0.56	-
Current service cost	0.29	-
Benefit paid	-0.16	-
Actuarial (gain)/losses	0.28	-
Closing Defined Benefit Obligations	7.93	-

23. Bank interest and cost includes the amounts provided towards currency fluctuation towards entire year to calculate the quarter profits such amounts of year end adjustments are to be excluded.
24. The amounts of sales and profits include the sales from the companies Manufacturing operations Branches and fully owned subsidiaries i.e Diamond Power Transformers Ltd and Diamond Power Global Holding Ltd
25. Annual Provision and provisions of expenses related to the commencement of the production from the new facilities resulted in increase in the cost of Q-4 2013-2014 the benefits of which are expected over the next year.

Previous year figures are regrouped /reclassified where ever necessary to make them comparable with the current year.

SIGNATURES TO THE Notes from 1 to 25 Forming Part of the Accounts

For **VIJAY. N. TEWAR & CO.**

(Chartered Accountants)

VIJAY N. TEWAR

Proprietor

FRN:111422W

Membership no. 040676

Date : 30th May, 2014

Place : Vadodara

For & on behalf of the Board of Directors

S. N. BHATNAGAR

Chairman

AMIT BHATNAGAR

Managing Director

SUMIT BHATNAGAR

Joint Managing Director

NISHANT JAVLEKAR

Company Secretary



ANNUAL REPORT
2013-14



DIAMONDPOWER
Cables, Conductors, Transformers & Towers

Diamond Power
Transformers Limited _____ **81**
Diamond Power Transformers Limited

Diamond Power
Infrastructure Ltd. _____ **102**
Consolidated Accounts



Directors' Report

To The Members

Your Directors hereby present the Annual Report and the Audited Accounts of your Company for year ended 31st March, 2014.

FINANCIAL RESULTS

The Financial results of the Company are summarized below:

	Rs. in Lacs	
	2013-14	2012-13
Gross total Income	50446.10	37529.41
Gross total Expenditure	48352.20	36202.31
Profit / (Loss) Before Interest, Depreciation & Taxation	2093.90	1327.10
Interest cost	1083.55	637.34
Depreciation / Amortization	104.09	111.61
Profit / (Loss) Before Tax	906.26	578.15
Provision for Taxation / Deferred Tax	300.00	210.00
Profit After Tax / (Loss)	606.26	368.15
APPROPRIATIONS		
a) General Reserve		
b) Dividend		
Profit carried from last year	5080.66	4712.51
Balance carried to Balance Sheet	606.26	368.15
Earning Per Shares	6.06	3.68

PERFORMANCE

For the Financial Year 2013-14, the Company has earned total income of Rs. 50446.10 Lacs (against last year's Rs. 37529.41 Lacs) against which, the Company has incurred total expenditure of Rs. 48352.20 Lacs (against last year's Rs. 36202.31 Lacs) makes the Profit of Rs. 606.26 Lacs (against last year's Rs. 368.15 Lacs).

Company's earning per share is increased 3.68 (for last year) to 6.06 (for current year).

DIVIDEND

Your Company required more funds/reserves to further its objects, & to incur day to day expenditure of the Company. Your Directors therefore do not recommend any dividend for the year ended 31st March, 2014.

DIRECTORS

The Details of Directors as on the date of this report on the Board of the Company is as per ANNEXURE A forming part of this report.

CLARIFICATION ON REMARK IN AUDITOR'S REPORT

As no observation/remarks are contained in Auditor's Report, the Company does not require making any clarification regarding the same.

FIXED DEPOSITS

The Company has not accepted any deposit from public during the year under review.

INFORMATION REGARDING CONSERVATION OF ENERGY, ETC AND PARTICULARS OF EMPLOYEES

The Company (Disclosure of Particulars under Report of Directors) Rules 1988, regarding the conservation of energy, the Company's total consumption of energy is already reported in this Annual Report of the Company.

Foreign Exchange: The Company has neither earned nor spent any foreign exchange during the year.

DIRECTOR'S RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217 (2AA) OF THE COMPANIES ACT, 1956

The Directors hereby confirm:

- I. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures ;
- II. That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the affairs of the Company at the end of the financial year and Profit of the Company for that year;



Directors' Report (Contd.)

- III. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- IV. That the directors had prepared the annual accounts on a going concern basis.

AUDITORS

M/s R. A. Amin & Co., Chartered Accountants Vadodara, Statutory Auditors of the Company, retires at the ensuing Annual General Meeting and has confirmed their eligibility and willingness to accept office, if reappointed.

ACKNOWLEDGMENT

Your Directors acknowledge with appreciation, the patronage of its esteemed customers, suppliers, dealers and valued shareholders. The strength it derives from its employees at all the levels, the support from its Bankers and Financial Institutions and the loyalty of the large family of the Company's customers, suppliers and the shareholders has indeed played a major role in the Company's growth and progress. The Directors also wish to place on record their deep sense of appreciation for the overwhelming co-operation and assistance received from the Bankers and all members of the company.

For and on behalf of the Board of Directors

Sd/-

S N BHATNAGAR

Director

Date: 29th May, 2014

Place: Vadodara

Annexure A

LIST OF DIRECTORS

Sr. No.	Name of the Director	Date of Appointment
1	Shri S N Bhatnagar	28.12.2007
2	Shri Amit Bhatnagar	28.12.2007
3	Shri Sumit Bhatnagar	28.12.2007
4	Shri Jayramrao Chandravadan Marathe	03.03.2011



Auditors' Report

To

The Members

Diamond Power Transformers Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the attached Balance Sheet of DIAMOND POWER TRANSFORMERS LIMITED (formerly known as Diamond Power Transformers, a partnership firm registered under the Partnership Act, 1932) as on 31st March, 2014; the Statement of Profit and Loss and the Cash Flow Statement for the year ended and a summary of significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 (the 'Act') and in accordance with the Accounting Principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. In the case of the Balance Sheet, of the State of Affairs on the Company as at 31st March 2014.
- b. In the case of the Statement of Profit and Loss, of the Company for the year ended on that date; and
- c. In the case of the Cash Flow Statement, Cash Flows of the Company for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Company's (Auditor's Report) Order, 2003 (the 'Order'), as amended by Companies (Auditors' Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act and according to the information and explanations given to us and on the basis of such checks as we considered appropriate, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Act.
2. As required in terms of sub-section (3) of Section 273 of the Act, we report that:
 - (i) We have obtained all information and explanations which, to the best of knowledge and belief, were necessary for the purpose of our audit.
 - (ii) In our opinion, proper books of account, as required by law, have been kept by the Company so far as appears from our examination of these books.
 - (iii) The Balance Sheet and Profit and loss account dealt with by this report are in agreement with the books of account.
 - (iv) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Act.

On the basis of the written representations received from the Directors, as on 31st March 2014 and taken on record by the Board of Directors, we report that none of the Director is disqualified as on 31st March 2014 from being appointed as a Director in terms of clause (g) of Sub-section (1) of Section 274 of the Act.

For **R. A. Amin & Co.**

Chartered Accountants

FRN: 100334W

(Hiren R. Amin)

Proprietor

M.N. 111009

Date: 29th May, 2014

Place: Vadodara



Annexure to the **Auditors' Report**

(Annexure Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Re: Diamond Power Transformers Limited ('the Company')

01 FIXED ASSETS

- (a) The company has maintained proper records showing full particulars including quantitative details and situations of fixed assets of the company.
- (b) As explained to us, the Company has a programme for physical verification of fixed assets in accordance with which the fixed assets have been physically verified during the year by the Management. In our opinion, the frequency of physical verification is reasonable. Having regard to the size of the operations of the Company and on the basis of explanations received, in our opinion, the net discrepancies found on physical verification were not material.
- (c) The Company has not disposed off any fixed assets during the year.
- (d) The disclosure requirements as required by AS-10 are made in the necessary area.

02 INVENTORIES

- (a) As informed to us the stock of finished goods, stores and spare parts and raw material of the Company have been physically verified by the management at reasonable intervals.
- (b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and nature of its business.
- (c) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the size of the operations of the Company.
- (d) The disclosure requirements as required by AS-2 are made in the necessary area.

03 LOANS

The company has obtained loans from Share holders. In our opinion the rate of interest & the terms and conditions on which such loans are obtained are not prima facie prejudicial to the interest of the Company. The Company has not made any loans and advances to its staff in the nature of loans during the year under review.

04 INTERNAL CONTROL SYSTEM

In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. There is no continuing failure to correct major weaknesses in the internal control system of the company.

05 CONTRACTS (OR) ARRANGEMENTS

- (a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.

06 PUBLIC DEPOSITS

The Company has not accepted any deposits from the public and hence compliance with the directives issued by the Reserve Bank of India and the provisions of Section 58A, 58AA or any other relevant provisions of the Act and the Rules framed there under are not applicable.

07 INTERNAL AUDIT SYSTEM

The Company has an internal audit system. However, there is scope for increasing the coverage so as to be commensurate with the size and nature of its business. The Company has not appointed any internal auditor during the year.

08 COST AUDIT RECORDS

Based on the information and explanations furnished to us, the maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956, is applicable to the Company. Cost Accountant has been appointed and preparation of Compliance Certificate is ongoing as on the date of this Audit Report.



Annexure to the **Auditors' Report** (Contd.)

(Annexure Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

09 STATUTORY DUES

According to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable to the Company were in arrears, as at March 31, 2014 for a period of more than six months from the date they became payable.

10 ACCUMULATED LOSSES

The company does not have accumulated losses as at the end of the financial year and has not incurred cash losses in the current financial year and in the immediately preceding financial year.

11 DUES TO FINANCIAL INSTITUTIONS / BANKS

In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank.

12 LOANS BY PLEDGE OF SHARES

Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13 CHIT FUND COMPANY

In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause (xiii) of Paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

14 TRADING IN SHARES

In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause (xiv) of Paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

15 GUARANTEES

In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial

institutions. Therefore, the provisions of clause (xv) of Paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.

16 TERM LOANS - APPLICATION

In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised other than amounts temporarily invested pending utilization of the funds for the intended use.

17 BORROWED FUNDS - USAGE

In our opinion and according to the information and explanation given to us, and on an overall examination of the Balance Sheet of the Company, we report that generally no funds raised on short term basis have been used for long term investment by the Company.

18 PREFERENTIAL ALLOTMENT OF SHARES

According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.

19 DEBENTURES

In our opinion and according to the information and explanations given to us, during the period covered by our audit report, the Company has not issued debentures.

20 PUBLIC ISSUE

In our opinion and according to the information and explanations given to us, the company has not raised any money from public issues.

21 FRAUD AND INTENTIONAL MISREPRESENTATIONS

To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For **R. A. Amin & Co.**

Chartered Accountants

FRN: 100334W

(Hiren R. Amin)

Proprietor

M.N. 111009

Date: 29th May, 2014

Place: Vadodra



BALANCE SHEET

as on 31st March 2014

Rs. in Lacs

	Sch. No.	31/03/2014	31/03/2013
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	1000.00	1000.00
(b) Reserves and Surplus	2	5686.93	5080.66
(c) Money received against share warrants			
(2) Share Application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	3	689.87	3545.69
(b) Deferred Tax Liabilities (Net)	3A	1.75	1.75
(c) Other Long Term Liabilities			
(d) Long Term Provisions			
(4) Current Liabilities			
(a) Short-Term Borrowings	4	7378.29	4872.56
(b) Trade Payables	5	2741.57	1562.63
(c) Other Current Liabilities	6	3510.95	1120.29
(d) Short-Term Provisions	7	337.26	217.83
Total Equity & Liabilities		21346.62	17401.42
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	8		
(i) Gross Block		2366.88	2048.73
(ii) Depreciation		496.67	393.57
(iii) Net Block		1870.21	1655.16
(b) Non-current investments	9	1040.00	1040.00
(c) Deferred tax assets (Net)	3A		
(d) Long term loans and advances	10	1481.83	1744.16
(e) Other non-current assets	11	0.16	-
(2) Current Assets			
(a) Current investments	12	118.19	-
(b) Inventories	13	6056.92	4458.37
(c) Trade receivables	14	8698.96	6672.73
(d) Cash and cash equivalents	15	943.27	923.78
(e) Short-term loans and advances	16	1137.09	907.21
(f) Other current assets			
Total Assets		21346.62	17401.42
Note to Accounts	25		

Notes attached thereto form an integral part of financial statement. This is the financial statement referred to in our report of even date.

For **R.A. AMIN & CO.**

(Chartered Accountants)

FRN: 100334W

(**HIREN R. AMIN**)

Proprietor

M.N. 111009

Date : 29th May, 2014

Place : Vadodara

For & On Behalf of The Board of Directors

S. N. BHATNAGAR

Director

AMIT BHATNAGAR

Director

SUMIT BHATNAGAR

Director



Profit & Loss Account

for the year ended 31st March 2014

Rs. in Lacs

	Sch. No.	31/03/2014	31/03/2013
I Revenue from operations	17	50,329.14	36,676.18
II Other Income	18	116.96	853.23
III Total Revenue (I +II)		50,446.10	37,529.41
IV Expenses		-	-
Cost of materials consumed/Purchase of Stock-in-Trade	19	46,233.17	34,690.60
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	-1,539.66	-724.28
Employee Benefit Expense	21	914.30	241.00
Financial Costs	22	1,083.55	637.34
Depreciation and Amortization Expense	23	104.09	111.61
Other Administrative Expenses	24	2,744.39	1,994.99
Total Expenses (IV)		49,539.84	36,951.26
V Profit before exceptional and extraordinary items and tax	(III - IV)	906.26	578.15
VI Exceptional Items		-	-
VII Profit before extraordinary items and tax (V - VI)		906.26	578.15
VIII Extraordinary Items		-	-
IX Profit before tax (VII - VIII)		906.26	578.15
X Tax expense:			
(1) Current tax		300.00	210.00
(2) Deferred tax		-	-
XI Profit(Loss) from the period from continuing operations	(IX-X)	606.26	368.15
XII Profit/(Loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV Profit/(Loss) for the period (XI + XIV)		606.26	368.15
XVI Proposed Dividend		-	-
XVII Tax on Proposed Dividend		-	-
Proposed Dividend (including Tax)		-	-
XVIII Surplus Transferred to Balance Sheet		606.26	368.15

Notes attached thereto form an integral part of financial statement. This is the financial statement referred to in our report of even date.

For **R.A. AMIN & CO.**

(Chartered Accountants)

FRN: 100334W

(HIREN R. AMIN)

Proprietor

M.N. 111009

Date : 29th May, 2014

Place : Vadodara

For & On Behalf of The Board of Directors

S. N. BHATNAGAR

Director

AMIT BHATNAGAR

Director

SUMIT BHATNAGAR

Director



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014

Rs. in Lacs

	Current Year	Previous Year
1 SHARE CAPITAL		
1 Authorized Capital		
10000000 Shares (10000000 Shares) of Rs. 10 Each	1000.00	1000.00
2 Issued, & Subscribed Capital		
10000000 Shares (10000000 Shares) of Rs. 10 Each	1000.00	1000.00
3 Paid Up Capital		
10000000 Shares (10000000 Shares) of Rs. 10 Each	1000.00	1000.00
Total	1000.00	1000.00

2.1 Reconciliation of number of Equity Shares and amount outstanding at the beginning and at the end of the year

	Current Year		Previous Year	
	No of Shares	Rs in Lacs	No of Shares	Rs in Lacs
Equity Shares				
Outstanding at the Beginning of the Year (Face Value Rs 10 each)	10000000	1000.00	10000000	1000.00
Outstanding at the End of the Year	10000000	1000.00	10000000	1000.00

2.2 Shareholders holding more than 5% Equity Shares in the Company as at the end of the year

Name of Shareholder	Current Year		Previous Year	
	No of Shares	% of Holding as on 31/03/2014	No of Shares	% of Holding as on 31/03/2013
Diamond Power Infrastructure Ltd	9960000	99.60	9960000	99.60

2.3 For the period of 5 years immediately preceding the date as at which the balance Sheet is prepared

- Aggregate Number and Class of Shares allocated as fully paid up pursuant to contract(s) without payment have being received in cash NA
- Aggregate Number and Class of Equity Shares allocated as fully paid up by way of Bonus Shares NA
- Aggregate Number and Class of Shares bought Back NA

2.4 The Company has one class of equity shares having a par value of Rs 10 per share. Each holder of equity shares is entitled to one vote per share.

Rs. in Lacs

	Current Year	Previous Year
2 RESERVE & SURPLUS		
1 Capital Reserve	-	-
2 Capital Redemption Reserve	-	-
3 Securities Premium Reserve	-	-
4 Debenture Redemption Reserve	-	-
5 Preference Shares Premium	-	-
6 Revaluation Reserve	-	-
7 Shares Option Outstanding Account	-	-
8 Other Reserve	-	-
9 Surplus (Profit & Loss Account)	5686.93	5080.66
Balance brought forward from previous year	5080.66	4712.51
Less: Tax on Regular Assessment Paid	-	-
Add : Profit for the period	606.26	368.15
Less : Proposed Dividend	-	-
Less : Proposed Tax on Dividend	-	-
Proposed Dividend (Including Tax)	-	-
Surplus Transfer to Balance Sheet	5686.93	5080.66
Total	5686.93	5080.66



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

		Rs. in Lacs	
		Current Year	Previous Year
3	LONG TERM BORROWINGS		
1	Bonds / Debentures	-	-
2	Term Loan	-	-
	- From Bank	-	250.00
	- From Other Parties	-	-
3	Deposit	-	-
4	Loans & Advances From Related Parties	685.47	185.70
5	Long Term Maturities of Finance lease obligation	-	-
6	Unsecured Loans From Lender	-	3100.00
7	Other Loans & Advances (Car Loan)	4.40	9.99
	Total	689.87	3545.69

Notes for Subsidiary

- Rs 250.22 Lacs (Previous Year Rs 500.22 Lacs) these loan taken from Indian Overseas Bank and are secured by First Pari Passu Charge on entire Fixed Assets of the company and repayment of the the said loan has started from 30/06/2013 to 31/03/2015.

Unsecured Loan

- Rs 685.47 Lacs (Previous Year Rs 185.70 Lacs) these loan taken from Diamond Power Infrastructure Ltd and the said loan is repayable on demand.
- Rs 3100 Lacs (Previous Year Rs 3675.00) these loan taken from NBFC and are secured by First Pari Passu charge on Fixed Assets of the Company both present and future repayment to be paid on 28/03/2015.

		Rs. in Lacs	
		Current Year	Previous Year
3A	DEFERRED TAX LIABILITY (NET)		
	Deferred Tax Liability		
	Fixed Assets: Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	1.75	1.75
	Gross deferred tax liability	1.75	1.75
	Deferred Tax Assets		
	Provision for Bonus shares	-	-
	Provision for Gratuity	-	-
	Gross deferred tax assets	-	-
	Total	1.75	1.75

		Rs. in Lacs	
		Current Year	Previous Year
4	SHORT TERM BORROWINGS		
1	Loan Repayable on Demand		
	From Bank	4028.29	4047.34
	Deposits/Installments of Term Loan/DPG (repayable within one year)	3350.00	825.22
2	Loans & Advances From Related Parties	-	-
3	Deposits	-	-
4	Others	-	-
	Total	7378.29	4872.56



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

		Rs. in Lacs	
		Current Year	Previous Year
5	TRADES PAYABLE		
	Trade Payables		
1	Creditor for Goods (Includes Capital goods)	2667.61	1537.17
2	Creditor for Expenses	73.96	25.46
3	Creditor Under Letter of Credit	-	-
	Total	2741.57	1562.63

		Rs. in Lacs	
		Current Year	Previous Year
6	OTHER CURRENT LIABILITIES		
1	Duties & Taxes Payable	6.01	18.43
2	Statutory Liability Payable	18.45	10.87
3	Bills Payable	-	-
4	Advance from Customer	-	-
5	Other Liabilities Payable	3486.49	1091.00
	Total	3510.95	1120.29

		Rs. in Lacs	
		Current Year	Previous Year
7	SHORT TERM PROVISIONS		
1	Provision For Employees Benefit	-	-
	Employee Dues Payable	30.45	2.91
2	Others	-	-
	Provision for Taxation	301.07	212.42
	Provision for Dividend	-	-
	Provision for Dividend Tax	-	-
	Provision for Expenses	5.74	2.50
	Total	337.26	217.83



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

		Rs. in Lacs									
8	FIXED ASSETS	Op. Bal. 01.04.2013	Addition	Dedu.	31.03.2014	01.04.2013	Dedu.	For the year	31.03.2014	01.04.2013	31.03.2014
	Gross Block										
	Land & Site Development	580.94	0.00	0.00	580.94	0.00	0.00	0.00	580.94	580.94	580.94
	Building	371.44	0.21	0.00	371.65	115.42	25.61	141.03	230.61	256.02	230.61
	Plant & Machinery	489.35	2.02	0.00	491.37	177.78	43.48	221.26	270.11	311.57	270.11
	Electrical Installation	28.06	0.00	0.00	28.06	5.41	3.15	8.56	19.50	22.66	19.50
	Furniture & Fixture/ Equipments	105.31	3.73	0.00	109.04	36.39	10.25	46.64	62.40	68.92	62.40
	Computers	41.08	18.79	0.00	59.88	22.39	12.36	34.75	25.12	18.69	25.12
	Vehicles	68.00	0.00	0.00	68.00	36.18	8.24	44.42	23.58	31.81	23.58
	Other Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Pre-Project	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	1684.18	24.76	0.00	1708.94	393.57	103.09	496.67	1212.27	1290.61	1212.27
	Capital Work in Progress	364.56	293.39	0.00	657.95	0.00	0.00	0.00	657.95	364.56	657.95
	Grand Total	2048.73	318.15	0.00	2366.88	393.57	103.09	496.67	1870.21	1655.16	1870.21



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

		Rs. in Lacs	
		Current Year	Previous Year
9	NON CURRENT INVESTMENT		
1	Investment in Property	-	-
2	Investment in Equity Instrument (Unquoted Shares)	1040.00	1040.00
3	Investment in Preference shares	-	-
4	Investment in Government or Trust Securities	-	-
5	Investment in Debentures & Bonds	-	-
6	Investment in Mutual Fund	-	-
	Baroda Pioneer Equity Fund	-	-
7	Investment in Partnership Firm	-	-
8	Other	-	-
	Total	1040.00	1040.00

		Rs. in Lacs	
		Current Year	Previous Year
10	LONG TERM LOANS AND ADVANCES		
I)	Capital Assets		
a)	Secured, Considered Good	-	-
b)	Unsecured, Considered Good	-	-
c)	Doubtful	-	-
II)	Security Deposit		
a)	Secured, Considered Good	-	-
	Government Deposits	-	78.43
	Security Deposit	0.01	-
	Earnest Money Deposit	62.41	-
	Lease Rent	138.26	138.26
	Other Deposit	1.85	1.94
b)	Unsecured, Considered Good	-	-
c)	Doubtful	-	-
III)	Loans & Advances to related parties		
	Apex Power Equipments Pvt Ltd	0.52	0.52
	Diamond E.H.V. Conductors	-	-
	Apex Electricals Ltd	25.01	25.01
	Madhuri Finserve Pvt Ltd	3.75	-
	Maktel Power Ltd	-	-
IV)	Other Loans & Advances		
	Other Advances	1250.03	1500.00
	Total	1481.83	1744.16



SCHEDULES

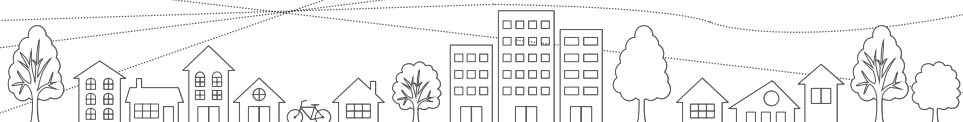
Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

		Rs. in Lacs	
		Current Year	Previous Year
11	OTHER NON CURRENT ASSETS		
1	Long Term Trade Receivables	-	-
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
2	Others	0.16	-
	Total	0.16	-

		Rs. in Lacs	
		Current Year	Previous Year
12	CURRENT INVESTMENT		
	Investment in Equity	-	-
	Investment in Preference Shares	-	-
	Investment in Govt Securities	-	-
	Investment in debentures & Bonds	-	-
	Investment in Mutual Fund	-	-
	Investment in Partnership Firm	-	-
	In Short term Fixed Deposits	118.19	-
	Total	118.19	-

		Rs. in Lacs	
		Current Year	Previous Year
13	INVENTORIES		
	Raw Material	247.46	188.57
	Work-in-Progress	5805.82	4231.65
	Finished Goods	3.64	38.15
	Stock-in-Trade	-	-
	Packaging Material	-	-
	Consumable Stores	-	-
	Fuel & Gases	-	-
	Goods in Transit	-	-
	Finished Goods- (RM-Bought Out)	-	-
	Total	6056.92	4458.37

		Rs. in Lacs	
		Current Year	Previous Year
14	TRADE RECEIVABLES		
1	Outstanding for less than six months		
	a) Secured, Considered Good :	8698.96	6672.73
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
2	Others		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
	Total	8698.96	6672.73



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

Rs. in Lacs

	Current Year	Previous Year
15 CASH & CASH EQUIVALENT		
1 Cash-in-Hand		
Cash Balance	-	5.87
Petty Cash Balance	0.40	-
Sub Total (A)	0.40	5.87
2 Bank Balance	269.68	569.93
Margin Money	673.19	347.98
Sub Total (B)	942.87	917.91
3 Cheques on Hand (C)	-	-
Total [A + B + C]	943.27	923.78

Rs. in Lacs

	Current Year	Previous Year
16 SHORT TERMS LOANS AND ADVANCES		
1 Loans & Advances from related parties		
a) Secured, Considered Good :		
Advance to Associate Concerns		
Diamond Power Transformers Ltd	-	-
Diamond Global Holding Ltd	-	-
b) Unsecured, Considered Good :		
Staff	17.19	-
Other Advances	559.20	562.25
c) Doubtful	-	-
2 Others		
Advance Recoverable in cash or in kind or for value to be considered good		
Advance to Suppliers	150.69	-
Advance Income Tax/Refund Due	-	40.00
Prepaid Expenses	21.73	22.99
PLA	0.07	0.07
Cenvat	124.08	194.29
Service Tax	39.00	-
Tax Deducted at Source	32.42	31.23
Income Tax	50.00	-
Electricity Duty Refund	-	-
Sales Tax Advance	-	-
VAT	-	9.48
Interest	142.69	46.90
Total	1137.09	907.21



SCHEDULES

Forming Integral Part of the Financial Statements at 31st March, 2014

		Rs. in Lacs	
		Current Year	Previous Year
17	REVENUE FROM OPERATIONS		
1	Domestic Sales (Exclusive of Excise Duty)	36806.54	36676.18
2	Trading of Goods	13522.60	-
3	Others	-	-
	Total	50329.14	36676.18

		Rs. in Lacs	
		Current Year	Previous Year
18	OTHER INCOME		
1	Dividend Received	-	-
2	Interest on FDR	51.14	36.01
3	Interest Received	61.08	7.97
4	Notice Pay Recovered	-	-
5	Claim Received	0.04	0.74
6	Other Income	4.71	808.50
	Total	116.96	853.23

		Rs. in Lacs	
		Current Year	Previous Year
19	COST OF MATERIAL CONSUMED		
a)	Purchases of raw materials and stores	46062.53	34208.10
	Sub Total (a)	46062.53	34208.10
b)	Direct/productions expenses	-	-
	Cartage & Transport	17.22	66.66
	Excise Duty Paid	-	26.33
	Calibration Expenses	0.24	34.08
	Consumable Stores	3.94	0.55
	Conversion/labour charges	-	255.21
	Repair & Maintenance (Plant & Machinery)	2.94	13.38
	Factory Expenses	42.19	11.58
	Insurance Expenses	3.95	6.52
	Guarantee period expenses	-	0.62
	Packing Material	1.62	-
	Detention & Demurrage Charges	-	-
	Diesel for Generator	-	-
	Electricity Expenses	70.25	49.46
	Security Charges	28.30	18.10
	Survey Charges -- Infrastructure	-	-
	Air Time Charges	-	-
	Transmission Charges (Wind Power)	-	-
	Job Work Charges	-	-
	Workman compensation Premium	-	-
	Power & Fuel Expenses	-	-
	Sub-Total (b)	170.65	482.51
	Total	46233.17	34690.60



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

		Rs. in Lacs	
		Current Year	Previous Year
20	CHANGE IN INVENTORIES		
1	Opening Stock of WIP & Finished Goods	4269.80	3545.52
2	Closing Stock of WIP & Finished Goods	5809.46	4269.80
3	WIP Increase / Decrease Division wise	-	-
	Total	-1539.66	-724.28

		Rs. in Lacs	
		Current Year	Previous Year
21	EMPLOYMENT BENEFIT EXPENSES		
1	Bonus	4.48	3.00
2	Director's Remuneration (Net)	-	-
3	House Rent Allowance	-	-
4	Leave wages / Salary	1.01	0.40
6	Medical Allowances	-	-
	Medical Expenses	-	-
7	Provident Fund Expenses (P.F. & F.P.F)	8.60	3.90
8	Salary & Wages	558.20	232.66
9	Staff & Labour Welfare	2.65	0.87
10	Labour Contract Charges	334.83	-
11	Stipend	0.44	0.18
12	Telephone Allowance	4.08	-
	Total	914.30	241.00

		Rs. in Lacs	
		Current Year	Previous Year
22	FINANCIAL COST		
1	Interest on Cash Credit facility	567.04	431.70
2	Interest on Other loans	477.78	106.23
3	Bank Charges (Including LC , Bank Guarantee & Bill Discounting Charges & Others)	38.74	99.41
4	Bank Guarantee Charges	-	-
6	Gain / Loss Exchange Rate Fluctuation	-	-
7	Other Interest Paid	-	-
8	Renewal Charges of Bank CC A/c	-	-
	Total	1083.55	637.34

		Rs. in Lacs	
		Current Year	Previous Year
23	DEPRECIATION & AMORTISED COST		
1	Depreciation	103.10	110.62
2	Preliminary Expenses W/O	0.99	0.99
3	Amortisation Expenses	-	-
	Total	104.09	111.61



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

		Rs. in Lacs	
		Current Year	Previous Year
24	OTHER ADMINISTRATIVE EXPENSES		
1	Audit Fees	2.74	2.55
2	Consultancy Charges	4.10	11.93
3	Conveyance Expenses	7.76	6.39
4	CSR Activities- Donation	0.05	2.71
5	Electricity Expenses	-	-
6	Legal & Professional charges	30.20	27.97
7	Post, Tele. & Courier Charges	0.64	3.91
8	Exchange Fluctuation	-	-
9	Rent, Rates & Taxes	21.65	1.55
10	Application Fees	9.31	5.67
11	Repairs & Maintenance Others	8.45	12.76
12	Printing & Stationary Expenses	4.27	3.46
13	Tender fees	2.05	2.89
14	Training Expenses	0.31	0.52
15	Sundry Expenses	2.54	-
16	Travelling Expenses	25.16	23.98
17	Vehicles Expenses	4.89	4.51
18	Office Expenses	1.27	4.95
19	Software Expenses	27.39	4.91
20	Insurance Exp (Car)	3.23	0.35
21	Mis. Expenses	-	7.55
22	Service Tax Expenses	8.37	1.77
23	Documentation Charges	-	-
24	Penalty	-	-
25	Hospitality Expense	-	2.29
26	Loss on Sales of Fixed Asset	-	-
27	Professional Tax	-	0.05
28	Preliminary Exp. Written off	-	-
29	Foreign Travel (Others)	-	-
30	House Keeping Expenses	-	-
31	Sundry Balances Written of	-	-
32	Bad Debts	-	-
33	Advertising Expenses	-	0.05
34	Sales Promotion Expenses	6.29	31.13
35	Commission on Sales	8.28	4.26
36	Marketing Expenses	102.56	6.11
37	Deferred Sales Liability	-	-
38	Income Tax for Prior Period	2.51	-
39	Vat /CST	2460.35	1820.76
40	Vat Paid	-	-
Total		2744.39	1994.99



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

25 SIGNIFICANT ACCOUNTING POLICIES

a. Basis of Preparation

The financial statements have been prepared under the accrual method of accounting on a going concern basis and statements are prepared in accordance with Generally Accepted Accounting Principles (Indian GAAP). Previous years figures have been regrouped / rearranged wherever necessary.

b. Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. Capital Work in Progress as on 31.03.2014 amounted to Rs.6,57,94,580

c. Depreciation

Depreciation is provided on written-down value basis at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

d. Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount.

e. Valuation of Inventories

- i) Inventories are valued at lower of cost or net realizable value on FIFO basis.
- ii) Raw materials, Stores and spares – includes purchase price and freight
- iii) Work in progress – Material cost plus appropriate share of manufacturing overheads.
- iv) Finished Goods – Absorption cost basis and includes material, labour and appropriate overheads.

f. Investments

Investments are stated at cost. Provision for diminution in value on long-term investments is made only if such decline is other than temporary in nature.

g. Revenue Recognition

Sale of goods is recognized at the point of dispatch to the customers. Gross Sales are accounted inclusive of excise duty and sales tax.

h. Expenses

All expenses booked on accrual basis. Any deduction by customers on account of contractual deductions is worked out in each year and debited to Profit & Loss A/c.

i. Foreign Currency Transactions

Transactions in Foreign Currency are recorded at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency are translated at the rate of exchange at the balance sheet date and resultant gain or loss is recognized in the profit and loss account.

Gain/Loss on settlement of transaction arising on cancellation or renewal of a forward exchange contract is recognized as income or as expense of the period/year.

j. Income Tax

Provision for Current Income tax is made on the assessable income at the tax rate applicable to the relevant assessment year

1. Corresponding figures of the previous year have been regrouped wherever necessary.
2. There are no Contingent liabilities as at the date of the Balance Sheet. Total Amount of unexpired Bank Guarantee (59 numbers) as on 31.03.2014 amounts to Rs. 11,29,41,406
3. The balance of advances, debtors and creditors are taken on the basis of book figures and are subject to confirmation. However, in the opinion of the Board, Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated. The provision made in the accounts for depreciation and for all other known liabilities is considered adequate and not in excess of the amounts reasonably necessary.
4. Under the Micro, Small and Medium Enterprise Development Act, 2006, which came into effect from October 2, 2006, certain disclosures are required to be made relating to Micro, Medium and Small Enterprises. Based on the information available with the Company, there are no Creditors as on 31st March 2012 registered under the MSMED Act, 2006.
5. Value of Imports on CIF Basis - NIL
6. Earnings in Foreign Exchange - NIL
7. Expenditure in Foreign Currency - NIL
8. Related Party Disclosures

As identified by the company and relied upon, the related parties are as follows:-

Name of the related party	Relationship
Key Management Personnel **	
Mr. S. N. Bhatnagar	Director
Mr. Amit Bhatnagar	Director
Mr. Sumit Bhatnagar	Director
Mr. Jayramrao Marathe	Director

Relatives of Key Management Personnel **

Smt. Madhurilata Bhatnagar, Smt. Mona Bhatnagar, Smt. Richa Bhatnagar

Associate Companies / Firm

Diamond Power Infrastructure Limited, Diamond Projects Limited, Diamond Infosystems Limited

** No transactions have been entered into with any of the Key Management Personnel's of their relatives during the year.



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

25 SIGNIFICANT ACCOUNTING POLICIES, CONTINGENT LIABILITIES AND NOTES

9. Additional Information Pursuant to the Provisions of Paragraphs 3 & 4 (C) & (D) of Part II of Schedule VI to the Companies Act, 1956:

A. In respect of products manufactured

- (i) Licensed Capacity
Not Applicable
- (ii) Installed Capacity:
Not determinable being Power and Distribution transformer manufacturer of various ratings; Aluminium Wire Rod and Transmission Tower Material

B. Production

	Transformers (Numbers)	Aluminium Wire Rod (MT)	Transmission Tower Material (MT)
Opening Stock	17	0	0
Production	6272	560	22667
Sales	6289	560	22667
Closing Stock	6	0	0

10. Statement pursuant to Part IV of Schedule VI to the Companies Act, 1956.

- I. Registration Details :
Balance Sheet Date 31-03-2014
Registration No.: 052486/2007
State Code : Gujarat

II. Capital raised during the year (Amount Rupees in Thousand)

Public Issue :	NIL	Bonus Issue :	NIL
Right Issue :	NIL	Private Placement :	NIL
A) Total Issue :	NIL	B) Capital Raised :	NIL

III. Position of Mobilisation and Deployment of Funds (Amt Rs. in Thousand)

Total Liabilities :	2134662	Total Assets :	2134662
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Sources of Funds

Paid-up Capital :	100000	Reserves & Surplus :	568693
Non Current Liabilities:	6916.20	Current Liabilities :	139680

Application of Funds

Non Current Assets :	439220	Current Assets :	1695442
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Performance of Company

Turnover :	5032914	Total Expenditure :	4953984
Other Income :	11696		
Profit Before Tax and prior period adjustments:	90627	Profit After Tax :	60627
Earning per Share:	Rs. 6.06	Dividend Rate % :	NIL

Generic Names of Principal Products / Services of Company (as per Monetary terms)

Item Code No. (ITC Code)

Product Description

Power and Distribution Transformers
Cables, Conductors and Allied Electrical Items

* Generic Codes are not allotted to the products manufactured

SIGNATURES to the notes from 1 to 25 forming part of Accounts

For **R.A. AMIN & CO.**

(Chartered Accountants)

FRN: 100334W

(**HIREN R. AMIN**)

Proprietor

M.N. 111009

Date : 29th May, 2014

Place : Vadodara

For & On Behalf of The Board of Directors

S. N. BHATNAGAR

Director

AMIT BHATNAGAR

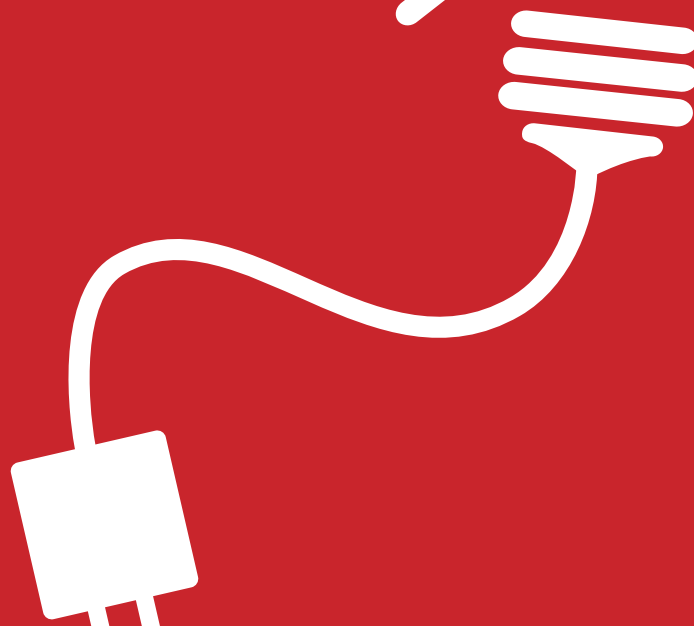
Director

SUMIT BHATNAGAR

Director

FINANCIAL SECTIONS

ANNUAL REPORT
2013-14



DIAMONDPOWER
Cables, Conductors, Transformers & Towers

Diamond Power
Infrastructure Ltd.
Consolidated Accounts

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Auditors' Report

To

The Members

Diamond Power Infrastructure Ltd.

REPORT ON THE FINANCIAL STATEMENTS

We, M/s. Vijay N Tewar & Co. Chartered Accountants, the statutory auditor of Diamond Power Infrastructure Ltd (the "Company") have examined the attached consolidated balance sheet of the Company and its subsidiaries - Diamond Power Transformers Ltd (collectively referred to as "the Group") as at March 31, 2014 and the consolidated statements of profit and loss and cash flows for the year ended and the related financial statements schedules (the "Audited Consolidated Financial Statements") These Audited Consolidated Financial Statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these Audited Consolidated Financial Statements based on our examination.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the general circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the companies Act 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2014;
- ii. in the case of the statement of profit and loss, of the profit for the year ended on that date; and
- iii. in the case of the cash flow statement, of the cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Company's (Auditor's Report) Order, 2003 (the 'Order'), as amended by Companies (Auditors' Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act and according to the information and explanations given to us and on the basis of such checks as we considered appropriate, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Act
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 read with the general circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the companies Act 2013.; and on the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

For **Vijay N. Tewar & Co.**

Chartered Accountants

FRN: 111422W

CA Vijay N. Tewar

Proprietor

M.N.: 040676

Date: 30.05.2014

Place: Vadodara



Annexure to the Auditors' Report

- 1 (a) The Company has maintained proper records showing all particulars including quantitative details and situation of Fixed Assets.
- (b) As explained to us, the physical verification of its fixed assets located at the plants & offices have been conducted by the management at reasonable intervals. In our opinion, the frequency of the verification is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed between the book records and the physical inventory in respect of the assets.
- (c) During the period under audit, the Company has not sold/disposed off substantial part of its Fixed Assets.
- 2 (a) Physical verification of inventory has been conducted by the management at reasonable intervals during the audit year.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stock followed by the management were found reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In case of maintaining proper records of Inventories, we are able to comment that same are maintained properly as per available records shown to us.
- 3 (i) (a) The company has not granted loans, secured or unsecured to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Accordingly, para (3)(i)(b) to (3)(i)(e) of the order are not applicable.
- (ii) (a) The company has taken during the year loans, secured or unsecured amounting to Rs. 1,17,17,863/- from companies, firms or other parties listed in the register maintained under Section 301 of companies Act, 1956. The same have been entered in the register maintain under section 301 of the Companies Act, 1956.
- (b) As informed to us by the company based on management report, the terms and conditions of Loans are prima facie not prejudicial to the interest of the company.
- (c) As stated above in the para (b) the loans have been taken from the companies under the same management, but the repayments have been made as and when required.
- (d) No formal terms and conditions for payment of the principal amount and interest, so we are not in position to give our opinion that Instalment payments are regular or not.
- (e) As stated in the point no (d) above, there are no stated terms and condition for the same and hence we are unable to comment whether repayment of principal and interest was regular or not.
- 4 In our opinion and according to the information and explanations given to us by the management, there is adequate internal control system commensurate with the size of the company and nature of its business with regard to purchase of stores, raw materials including components, plant and machinery, equipment and other assets and for sales of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in the internal control system.
- 5 (a) In our opinion and according to information and explanations given to us, the particulars of contracts or arrangement referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) in our opinion and according to the information and explanations given to us, the transaction made in pursuance of contracts and arrangement referred to in 5(a) above and exceeding the value of Rs.5 lakh with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- 6 According to the information and Explanations given to us, the company has not accepted any deposits from the public during the yearly within the provisions of section 58A and 58AA of the Companies Act, 1956 and rules framed there under to the extent applicable.
- 7 In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- 8 Based on the information and explanation furnished to us, the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 is applicable to the company. Cost Accountant has been appointed and preparation of compliance certificate is ongoing as on the date of the audit report.
- 9 (a) According to the records of the Company, Provident Fund, Employee State Insurance, Investors Education & Protection Fund, Income Tax, Wealth Tax, Service Tax,



Annexure to the **Auditors' Report** (Contd.)

- Sales Tax, Customs Duty, Excise Duty, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities save few instances, though the delays in deposits have not been serious.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- 10 The Company has no accumulated losses as at March 31st, 2014 and it has not incurred cash losses in the financial year ended on that date or in the immediately preceding financial year.
- 11 According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institutions or bank or debenture holders as at the Balance Sheet date.
- 12 As explained to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities.
- 13 The provision of any special statute applicable to Chit fund/ nidhi /mutual benefit fund / societies are not applicable to the company.
- 14 The company is not dealing or trading in shares, securities, debentures and other investments and hence the related reporting requirement is not applicable.
- 15 According to the information and explanations given to us, the company has given guarantees for loans taken by its subsidiaries from banks and financial institutions, the terms and conditions whereof, in our opinion, are not prima-facie prejudicial to the interest of the company.
- 16 Based on the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- 17 According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment.
- 18 According to the information and explanations given to us, the company has made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the period and the same is not prima –facie prejudicial to the interest of the company
- 19 According to the information and explanations given to us, the Company has not issued any debentures during the year. The Company has Non-convertible debentures of Rs 100 Crores.
- 20 According to the information and explanation given to us, the company has issued fully convertible equity warrant during the year on the basis of Preferential issue to the various investors of the company. Further the same has been converted during the year itself in the equity shares which are not prima –facie prejudicial to the interest of the company.
- 21 According to the information and explanations given to us, no fraud by the company and no material fraud on the Company has been noticed or reported during the course of our audit.

For **Vijay N. Tewar & Co.**
Chartered Accountants
FRN: 111422W
CA Vijay N. Tewar
Proprietor
M.N.: 040676

Date: 30.05.2014
Place: Vadodara



BALANCE SHEET

as on 31st March 2014

Rs. in Lacs

	Sch. No.	31/03/2014	31/03/2013
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	5814.20	3720.64
(b) Reserves and Surplus	2	93234.28	71558.22
(c) Money received against share warrants			
(2) Share Application money pending allotment			
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	3	63268.12	61134.87
(b) Deferred Tax Liabilities (Net)	3A	901.75	1.75
(c) Other Long Term Liabilities			
(d) Long Term Provisions			
(4) Current Liabilities			
(a) Short-Term Borrowings	4	71363.35	60401.27
(b) Trade Payables	5	14009.41	11852.86
(c) Other Current Liabilities	6	43795.12	38649.46
(d) Short-Term Provisions	7	2527.10	3499.72
Total Equity & Liabilities		294913.31	250818.79
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets	8		
(i) Gross Block		109386.26	82607.24
(ii) Depreciation		13500.52	10409.63
(iii) Net Block		95885.74	72197.62
(b) Non-current investments	9	1747.80	1747.80
(c) Deferred tax assets (Net)	3A		
(d) Long term loans and advances	10	25700.24	23969.05
(e) Other non-current assets	11	0.16	-
(2) Current Assets			
(a) Current investments	12	118.79	0.60
(b) Inventories	13	121010.62	89371.54
(c) Trade receivables	14	32400.39	46603.76
(d) Cash and cash equivalents	15	10099.41	10170.97
(e) Short-term loans and advances	16	7950.16	6757.42
(f) Other current assets			
Total Assets		294913.31	250818.79
Note to Accounts	25		

Notes attached thereto form an integral part of financial statement. This is the financial statement referred to in our report of even date.

For **VIJAY. N. TEWAR & CO.**

(Chartered Accountants)

FRN:111422W

VIJAY N. TEWAR

Proprietor

Membership no. 040676

Date : 30th May, 2014

Place : Vadodara

For & on behalf of the Board of Directors

S. N. BHATNAGAR

Chairman

AMIT BHATNAGAR

Managing Director

SUMIT BHATNAGAR

Joint Managing Director

NISHANT JAVLEKAR

Company Secretary



Profit & Loss Account

for the year ended 31st March 2014

Rs. in Lacs

	Sch. No.	31/03/2014	31/03/2013
I Revenue from operations	17	317,758.41	258,134.71
II Other Income	18	775.71	1,491.57
III Total Revenue (I +II)		318,534.11	259,626.29
IV Expenses			
Cost of materials consumed/ Purchase of Stock-in-Trade	19	316,793.92	245,157.29
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	-37,200.03	-17,484.29
Employee Benefit Expense	21	3,904.34	2,809.29
Financial Costs	22	12,263.34	9,197.89
Depreciation and Amortization Expense	23	3,613.42	3,377.01
Other Administrative Expenses	24	6,055.98	4,452.80
Total Expenses (IV)		305,430.97	247,509.99
V Profit before exceptional and extraordinary items and tax	(III - IV)	13,103.14	12,116.30
VI Exceptional Items		-	-
VII Profit before extraordinary items and tax (V - VI)		13,103.14	12,116.30
VIII Extraordinary Items		-	-
IX Profit before tax (VII - VIII)		13,103.14	12,116.30
X Tax expense:			
(1) Current tax		1,200.00	1,710.00
(2) Deferred tax		900.00	-
XI Profit(Loss) from the period from continuing operations	(IX-X)	11,003.14	10,406.30
XII Profit/(Loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV Profit/(Loss) for the period (XI + XIV)		11,003.14	10,406.30
XVI Proposed Dividend		-	496.08
XVII Tax on Proposed Dividend		-	80.48
Proposed Dividend (Including Tax)		-	576.56
XVIII Surplus Transferred to Balance Sheet		11,003.14	9,829.74

Notes attached thereto form an integral part of financial statement. This is the financial statement referred to in our report of even date.

For **VIJAY. N. TEWAR & CO.**

(Chartered Accountants)

FRN:111422W

VIJAY N. TEWAR

Proprietor

Membership no. 040676

Date : 30th May, 2014

Place : Vadodara

For & on behalf of the Board of Directors

S. N. BHATNAGAR

Chairman

AMIT BHATNAGAR

Managing Director

SUMIT BHATNAGAR

Joint Managing Director

NISHANT JAVLEKAR

Company Secretary



Consolidated CASH Flow Statement

for the Year ended 31st March 2014

Rs. in Lacs

	AS AT 31.03.2014		AS AT 31.03.2013	
CASH FLOW FROM OPERATING ACTIVITIES				
Net profit as per Profit & Loss Account		11,003.14		10406.30
Adjustment for:				
Depreciation	3613.43		2,973.63	
Deferred Expenses			-	
Income Tax	2100.00		1,710.00	
Interest expenses	12,263.34		9,197.89	
Loss on sale of Assets				
Extra Ordinary items	-		87.17	
Interest Received	-775.71		-637.99	
		17200.81		13330.70
Operating profit before working capital changes		28203.95		23,737.00
Change in inventories	-31639.07		-23718.75	
Change in receivables	14,203.37		-20265.08	
Changes in Loans and Advances	-3871.74		-9986.00	
Change in other Current Assets	-		-2523.81	
Change in Current liabilities	7208.79		20833.70	
Net change in working capital		-14098.66		-35659.89
Cash generated from operations		14105.29		-11922.89
CASH FLOW FROM INVESTMENT ACTIVITIES				
Direct Taxes Paid	-1972.95		-1677.62	
Cash flow before Extra Ordinary / prior period items				
Interest Received	651.70		637.99	
Prior Period items (Restructuring)				
Increase of fixed assets	-26779.02		-17645.87	
Decrease in Fixed Assets				
Increase of investment	118.18		-1040.00	
Loss on Sale of Assets				
Net cash flow from investing activities		-27982.09		-19725.50



Consolidated CASH Flow Statement

for the Year ended 31st March 2014 (Contd.)

Rs. in Lacs

	AS AT 31.03.2014		AS AT 31.03.2013	
CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of share capital	2093.56			
Proceeds from Debt Re-structuring				
Proceeds from Premium	11913.16			
Increase in Secured loans	27346.95		29709.27	
Increase in unsecured loan	-13549.04		15939.82	
Decrease in reserve	-1240.21			
Interest paid	-12263.09		-9197.89	
Increase in long term & other borrowing (net)				
Dividend Paid	-496.08		-889.99	
Net cash flow from financing activities		13805.25		35561.21
Net increase in cash & cash equivalents		-71.55		3912.82
Add: Cash & cash equivalents opening	10170.69		6257.87	
Cash & cash equivalents closing	10099.41	-71.55	10170.69	3912.82

For **VIJAY. N. TEWAR & CO.***(Chartered Accountants)*

FRN:111422W

VIJAY N. TEWAR*Proprietor*

Membership no. 040676

Date : 30th May, 2014

Place : Vadodara

For & on behalf of the Board of Directors

S. N. BHATNAGAR*Chairman***AMIT BHATNAGAR***Managing Director***SUMIT BHATNAGAR***Joint Managing Director***NISHANT JAVLEKAR***Company Secretary*

Auditor's Certificate

We have examined the above Consolidated Cash Flow Statement of Diamond Power Infrastructure Ltd (The Company) for the year ended on March 31st 2014. The statement has been prepared by the company in accordance with the requirements of listing agreements with the stock Exchanges and is based on and in agreements with the corresponding profit and loss account and balance sheet of the Company covered by our report of even date.

For **VIJAY. N. TEWAR & CO.***(Chartered Accountants)*

FRN:111422W

VIJAY N. TEWAR*Proprietor*

Membership no. 040676

Date : 30th May, 2014

Place : Vadodara



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014

		Rs. in Lacs	
		Current Year	Previous Year
1	SHARE CAPITAL		
1	Authorized Capital		
	60000000 Shares (50000000 Shares) of Rs. 10 Each	6000.00	5000.00
2	Issued, & Subscribed Capital		
	54680245 (37886121) Equity Shares of Rs. 10 Each	5468.02	3788.61
	4141500 (nil) Preference Shares of Rs 10 each	414.15	0.00
3	Paid Up Capital		
	54000495 (37206371) Equity Shares of Rs.10 Each Fully Paid - Up	5400.05	3720.64
	4141500 (nil) Preference Shares of Rs 10 each	414.15	0.00
Total		5814.20	3720.64

2.1 Reconciliation of number of Equity Shares and amount outstanding at the beginning and at the end of the year

	Current Year		Previous Year	
	No of Shares	Rs in Lacs	No of Shares	Rs in Lacs
Equity Shares				
Outstanding at the Beginning of the Year (Face Value Rs 10 each)	37206371	3720.64	37206371	3720.64
Add: Bonus Issue	12402124	1240.21	-	-
Preferential Issue	4392000	439.20	-	-
Outstanding at the End of the Year	54000495	5400.05	37206371	3720.64

2.2 Shareholders holding more than 5% Equity Shares in the Company as at the end of the year

Name of Shareholder	Current Year		Previous Year	
	No of Shares	% of Holding as on 31/03/2014	No of Shares	% of Holding as on 31/03/2013
Madhuri Finserve Pvt Ltd	8224550	15.23	6168413	16.58
Diamond Infosystems Ltd	3704732	6.86	2469005	6.64
Diamond Projects Ltd	2942464	5.45	2206848	5.93
Suresh N Bhatnagar	-	-	1881420	5.06
Clearwater Capital Partners Cyprus Ltd	4330881	8.02	3248161	8.73
Macquarie Bank Ltd	3868606	7.16	-	-
Kotak Mahindra Trusteeship Services Limited-A/C Ko	2944066	5.45	2208050	5.93
The Royal Bank of Scotland N.v. (London) Branch	-	-	2122297	5.70

2.3 For the period of 5 years immediately preceding the date as at which the balance Sheet is prepared

- Aggregate Number and Class of Shares allocated as fully paid up pursuant to contract(s) without payment have being received In cash NA
- Aggregate Number and Class of 12402124 Equity Shares allocated as fully paid up by way of Bonus Shares in FY 2013-14 and 7015690 Equity shares allocated as fully paid up by way of bonus share in FY 2009-10
- Aggregate Number and Class of Shares bought Back NA

2.4 The Company has one class of equity shares having a par value of Rs 10 per share & Preference Shares having per value of Rs10 per share. Each holder of equity shares is entitled to one vote per share.

2.5 Forfeited Shares

The Company had Forfeited 679750 Equity Shares on 29.04.2000 out of Issued Capital of 18250000 Equity Shares the forfeited Shares where due to Unpaid Shares calls of Rs. 7 Per.



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

		Rs. in Lacs	
		Current Year	Previous Year
2	RESERVE & SURPLUS		
1	Capital Reserve	1759.94	1759.94
2	Capital Redemption Reserve	0.00	0.00
3	Securities Premium reserve	30060.33	25229.13
4	Debenture Redemption Reserve	6940.00	2540.00
5	Preference Shares Premium	7081.97	0.00
5	Revaluation Reserve	0.00	0.00
6	Shares Option Outstanding Account	0.00	0.00
7	Other Reserve	25.00	25.00
8	Surplus (Profit & Loss Account)	47367.05	42004.15
	Balance brought forward from previous year	42004.15	32174.41
	Less: Bonus Share Issue	1240.21	-
	Debenture Redemption Reserve	4400.00	-
	Tax on Regular Assessment Paid	0.00	0.00
	Add : Profit for the period	11003.14	10406.30
	Less : Proposed Dividend	0.00	496.08
	Less : Proposed Tax on Dividend	0.00	80.48
	Proposed Dividend (Including Tax)	0.00	576.56
	Surplus Transfer to Balance Sheet	47367.05	42004.15
	Total	93234.28	71558.22

		Rs. in Lacs	
		Current Year	Previous Year
3	LONG TERM BORROWINGS		
1	Bonds / Debentures	10000.00	10000.00
2	Term Loan		
	- From Bank	47179.44	28165.26
	- From Other Parties	0.00	0.00
3	Deposit	0.00	0.00
4	Loans & Advances From Related Parties	2704.20	15539.24
5	Long Term Maturities of Finance lease obligation	33.05	73.64
6	Unsecured Loans From Lender	3347.03	7346.74
7	Other Loans & Advances (Car Loan)	4.40	9.99
	Total	63268.12	61134.87

Term Loans from Banks

- (a) Rs 8184.37 Lacs (Previous year Rs 10714.90 Lacs) Secured 1st Pari Passu Charge on the entire Fixed Assets of the company both present and Future. The Term Loan is repayable in remaining 18 equal Quarterly Instalments by 30/03/2017 and present interest rate is 12.90% p.a.
- (b) Rs 37,380.13 Lacs (Previous year Rs 18985.48 Lacs) Secured 1st Pari Passu Charge on the entire Fixed Assets of the company both Present and Future. The Term Loan is Repayable in 26 equally Quarterly Instalments commencing from 30th Sep 2014 and carries Interest rate of 12.75% pa.



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

- (c) Rs Nil Lacs (Previous year Rs. 1454.52 lacs) secured by 1st pari passu charge on all fixed assets of the company both present & future with in 60 days from the first disbursement. 2nd pari passu charge on all current assets of the company, both present & future within 60 days from the 1st disbursement, The term loan is repayable in 11 equated quarterly Instalments after moratorium period carries interest rate 12.25%.
- (d) Rs 10000 lacs (Previous Year Rs 10000 Lacs) (Non Convertible Debentures) secured by 1st pari passu charge on all fixed assets of the company both present & future with in 60 days from the first disbursement. 2nd pari passu charge on all current assets of the company, both present & future within 60 days from the 1st disbursement, repayment starting from 1st June 2014, carries interest rate 12.35%.
- (e) Rs 33.04 Lacs (Previous Year Rs 73.64) Loans taken for the Vehicles the present rate of interest charged is at 10.83%PA the duration of loan are for period of 36 Months from the Date of Disbursement.
- (f) Rs 50000.00 Lacs (Previous year Rs Nil) secured by 1st pari passu charge on all fixed assets of the company both present & future with in 60 days from the first disbursement. 2nd pari passu charge on all current assets of the company, both present & future within 60 days from the 1st disbursement, The term loan is repayable in 11 equated quarterly Instalments after moratorium period carries interest rate 12.25%.

Unsecured Loans

- Rs 3000 Lacs (Previous Year Rs 4000 Lacs) are unsecured carrying interest rate of 12.90% and repayable within 90 days from the first Disbursement.
- Rs 2704.20 Lacs (Previous Year Rs 15600.27) are towards contribution from the Promoters' group for the ongoing expansion project. During the year 4392000 Warrants were issued @120 per warrants same during the year got converted into Equity shares and additionally preference share of 4141500 @181 these was equally allotted to Diamond Projects Ltd and Madhuri Fineserve Pvt. Ltd.

Notes for Subsidiary

- Rs 250.22 Lacs (Previous Year Rs 500.22 Lacs) these loan taken from Indian Overseas Bank and are secured by First Pari Passu Charge on entire Fixed Assets of the company and repayment of the the said loan has started from 30/06/2013 to 31/03/2015.

Unsecured Loan

- Rs 685.47 Lacs (Previous Year Rs 185.70 Lacs) these loan taken from Diamond Power Infrastructure Ltd and the said loan is repayable on demand.
- Rs 3100 Lacs (Previous Tear Rs 3675.00) these loan taken from NBFC and are secured by First Pari Passu charge on Fixed Assets of the Compnay both present and future repayment to be paid on 28/03/2015.

	Rs. in Lacs	
	Current Year	Previous Year
3A DEFERRED TAX LIABILITY (NET)		
Deferred Tax Liability		
Fixed Assets: Impact of difference between tax depreciation and depreciation/amortization charged for the financial reporting	925.69	1.75
Gross deferred tax liability	925.69	1.75
Deferred Tax Assets		
Provision for Bonus shares	15.15	-
Provision for Gratuity	8.79	-
Gross deferred tax assets	23.94	-
Total	901.75	1.75

	Rs. in Lacs	
	Current Year	Previous Year
4 SHORT TERM BORROWINGS		
1 Loan Repayable on Demand		
From Bank	64028.29	56336.40
Deposits/Instalments of Term Loan/(repayable within one year)	7335.06	4064.87
2 Loans & Advances From Related Parties	-	-
3 Deposits	-	-
4 Others	-	-
Total	71363.35	60401.27



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

		Rs. in Lacs	
		Current Year	Previous Year
5	TRADES PAYABLE		
	Trade Payables		
1	Creditor for Goods (Includes Capital goods)	10573.83	9644.16
2	Creditor for Expenses	3435.58	2208.70
3	Creditor Under Letter of Credit	-	-
	Total	14009.41	11852.86

		Rs. in Lacs	
		Current Year	Previous Year
6	OTHER CURRENT LIABILITIES		
1	Duties & Taxes Payable	541.63	281.82
2	Statutory Liability Payable	340.90	326.86
3	Bills Payable	29296.71	34006.75
4	Advance from Customer	8406.08	875.54
5	Other Liabilities Payable	5209.80	3158.48
	Total	43795.12	38649.46

		Rs. in Lacs	
		Current Year	Previous Year
7	SHORT TERM PROVISIONS		
1	Provision For Employees Benefit		
	Employee Dues Payable	149.44	92.08
2	Others		
	Provision for Taxation	2308.69	1711.66
	Provision for Dividend	-	496.08
	Provision for Dividend Tax	-	507.26
	Provision for Expenses	68.97	692.63
	Total	2527.10	3499.72

SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

	Rs. in Lacs									
	Op. Bal. 01.04.2013	Addition	Dedu.	31.03.2014	01.04.2013	Dedu.	For the year	31.03.2014	01.04.2013	31.03.2014
8 FIXED ASSETS										
Gross Block										
Land & Site Development	1376.89	0.73	-	1377.61	-	-	-	1376.89	1376.89	1377.61
Building	4611.74	2035.23	-	6646.98	815.37	-	174.88	3796.37	3796.37	5656.73
Plant & Machinery	35010.35	16980.50	-	51990.84	8758.55	-	2746.45	11505.01	26251.79	40485.84
Electrical Installation	808.70	1180.05	-	1988.75	296.32	-	70.26	366.58	512.38	1622.17
Furniture & Fixture/ Equipment	356.97	6.82	-	363.79	161.60	-	26.28	187.88	195.36	175.91
Computers	229.00	40.39	-	269.40	195.02	-	43.15	238.17	33.98	31.23
Vehicles	451.54	78.91	18.16	512.28	181.52	15.10	44.98	211.40	270.02	300.89
Other Assets	1.24	-	-	1.24	1.24	-	-	1.24	-	-
Pre-Project	737.39	122.76	351.83	508.33	-	-	-	737.39	737.39	508.33
Total	43583.82	20445.40	37-	63659.22	10409.63	15.10	3106.00	13500.52	33174.19	50158.70
Capital Work in Progress	39023.42	26919.49	20215.88	45727.04	-	-	-	-	39023.42	45727.04
Grand Total	82607.24	47364.89	20585.87	109386.26	10409.63	15.10	3106.00	13500.52	72197.62	95885.74



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

		Rs. in Lacs	
		Current Year	Previous Year
9	NON CURRENT INVESTMENT		
1	Investment in Property	-	-
2	Investment in Equity Instrument (Unquoted Shares)	1697.80	1697.80
3	Investment in Preference shares	-	-
4	Investment in Government or Trust Securities	-	-
5	Investment in Debentures & Bonds	-	-
6	Investment in Mutual Fund	-	-
	Baroda Pioneer Equity Fund	50.00	50.00
7	Investment in Partnership Firm	-	-
8	Other	-	-
	Total	1747.80	1747.80

		Rs. in Lacs	
		Current Year	Previous Year
10	LONG TERM LOANS AND ADVANCES		
I)	Capital Assets		
a)	Secured, Considered Good	19114.08	17722.90
b)	Unsecured, Considered Good	-	-
c)	Doubtful	-	-
II)	Security Deposit		
a)	Secured, Considered Good	-	-
	Government Deposits	1.45	79.88
	Security Deposit	1346.49	1338.12
	Earnest Money Deposit	391.25	200.02
	Lease Rent	890.14	878.98
	Other Deposit	253.37	290.46
b)	Unsecured, Considered Good	-	-
c)	Doubtful	-	-
III)	Loans & Advances to related parties		
	Apex Power Equipments Pvt Ltd	2307.18	1828.01
	Diamond E.H.V. Conductors	0.04	0.04
	Apex Electricals Ltd	25.01	25.01
	Madhuri Finserve Pvt. Ltd.	3.75	0.00
	Maktel Power Ltd.	55.13	105.13
IV)	Other Loans & Advances		
	Other Advances	1312.35	1500.51
	Total	25700.24	23969.05



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

		Rs. in Lacs	
		Current Year	Previous Year
11	OTHER NON CURRENT ASSETS		
1	Long Term Trade Receivables	-	-
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
2	Others	0.16	-
	Total	0.16	-

		Rs. in Lacs	
		Current Year	Previous Year
12	CURRENT INVESTMENT		
	Investment in Equity	-	-
	Investment in Preference Shares	-	-
	Investment in Govt Securities	-	-
	Investment in debentures & Bonds	-	-
	Investment in Mutual Fund	-	-
	Investment in Partnership Firm	-	-
	In Short term Fixed Deposits	118.79	0.60
	Total	118.79	0.60

		Rs. in Lacs	
		Current Year	Previous Year
13	INVENTORIES		
	Raw Material	3167.71	6222.38
	Work-in-Progress	104605.98	59427.94
	Finished Goods	508.97	8487.03
	Stock-in-Trade	4250.32	7352.67
	Packaging Material	9.08	282.20
	Consumable Stores	478.33	490.06
	Fuel & Gases	180.57	1.67
	Goods in Transit	7751.75	6914.15
	Finished Goods- (RM-Bought Out)	57.90	193.44
	Total	121010.62	89371.54

		Rs. in Lacs	
		Current Year	Previous Year
14	TRADE RECEIVABLES		
1	Outstanding for less than six months		
	a) Secured, Considered Good :	32400.39	46603.76
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
2	Others		
	a) Secured, Considered Good :	-	-
	b) Unsecured, Considered Good :	-	-
	c) Doubtful	-	-
	Total	32400.39	46603.76



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

Rs. in Lacs

	Current Year	Previous Year
15 CASH & CASH EQUIVALENT		
1 Cash-in-Hand		
Cash Balance	1.41	5.96
Petty Cash Balance	0.47	0.07
Sub Total (A)	1.88	6.03
2 Bank Balance	806.02	3246.36
Margin Money	9291.50	6918.58
Sub Total (B)	10097.53	10164.94
3 Cheques on Hand (C)		
Total [A + B + C]	10099.41	10170.97

Rs. in Lacs

	Current Year	Previous Year
16 SHORT TERMS LOANS AND ADVANCES		
1 Loans & Advances from related parties		
a) Secured, Considered Good :		
Advance to Associate Concerns		
Diamond Power Transformers Ltd.	-	185.70
Diamond Global Holding Ltd.	165.09	55.30
b) Unsecured, Considered Good :		
Staff	23.90	7.29
Other Advances	691.91	655.54
c) Doubtful		
2 Others		
Advance Recoverable in cash or in kind or for value to be considered good		
Advance to Suppliers	150.69	-
Advance Income Tax/Refund Due	0.00	40.00
Prepaid Expenses	466.76	724.76
PLA	0.21	0.21
Cenvat	3605.62	3035.52
Service Tax	2131.73	1594.18
Tax Deducted at Source	75.33	74.00
Income Tax	337.11	168.70
Electricity Duty Refund	2.30	2.30
Sales Tax Advance	157.52	157.52
VAT	0.00	9.48
Interest	142.69	46.90
Total	7950.16	6757.42



SCHEDULES

Forming Integral Part of the Profit & Loss Accounts as at 31st March, 2014

		Rs. in Lacs	
		Current Year	Previous Year
17	REVENUE FROM OPERATIONS		
1	Domestic Sales (Exclusive of Excise Duty)	303684.88	257815.94
2	Trading of Goods	13522.60	0.00
3	Others	550.92	318.77
	Total	317758.41	258134.71

		Rs. in Lacs	
		Current Year	Previous Year
18	OTHER INCOME		
1	Dividend Received	0.01	-
2	Interest on FDR	51.14	36.01
3	Interest Received	628.35	637.99
4	Notice Pay Recovered	4.17	4.34
5	Claim Received	0.04	0.74
6	Other Income	92.00	812.48
	Total	775.71	1491.57

		Rs. in Lacs	
		Current Year	Previous Year
19	COST OF MATERIAL CONSUMED		
a)	Purchases of raw materials and stores		
	Conductor	72289.82	53598.42
	Cables	142607.19	112406.41
	EPC	14910.57	14540.02
	Transformers	46062.52	34208.10
	Tower	36894.77	25130.87
	Sub Total (a)	312764.87	239883.89
b)	Direct/productions expenses		
	Cartage & Transport	210.96	342.08
	Excise Duty Paid	71.27	1070.61
	Calibration Expenses	3.64	35.38
	Consumable Stores	475.17	380.73
	Conversion/labour charges	0.00	255.21
	Repair & Maintenance (Plant & Machinery)	7.60	26.23
	Factory Expenses	100.21	57.76
	Insurance Expenses	79.19	42.88
	Guarantee period expenses	0.00	0.62
	Packing Material	1606.50	1441.35
	Detention & Demurrage Charges	57.53	35.99
	Diesel for Generator	0.00	0.00
	Electricity Expenses	70.25	49.46
	Security Charges	28.30	18.10
	Survey Charges -- Infrastructure	4.70	23.82
	Air Time Charges	0.00	0.14
	Transmission Charges (Wind Power)	81.96	62.33
	Job Work Charges	39.00	182.00
	Workman compensation Premium	-	-
	Power & Fuel Expenses	1192.79	1248.77
	Sub-total (b)	4029.05	5273.47
	Total	316793.92	245157.29



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

		Rs. in Lacs	
		Current Year	Previous Year
20	CHANGE IN INVENTORIES		
1	Opening Stock of WIP & Finished Goods	67914.93	50430.63
2	Closing Stock of WIP & Finished Goods	105114.95	67914.93
3	WIP Increase / Decrease Division wise	-	-
	Total	-37200.03	-17484.29

		Rs. in Lacs	
		Current Year	Previous Year
21	EMPLOYMENT BENEFIT EXPENSES		
1	Bonus	19.67	18.25
2	Director's Remuneration (Net)	195.97	171.20
3	House Rent Allowance	86.20	81.56
4	Leave wages / Salary	1.01	0.41
5	Medical Allowances	0.57	1.15
6	Medical Expenses	61.49	52.95
7	Provident Fund Expenses (P.F. & F.P.F)	57.38	49.81
8	Salary & Wages	1740.44	1280.87
9	Staff & Labour Welfare	36.89	69.07
10	Labour Contract Charges	1663.75	1043.91
11	Stipend	1.59	1.52
12	Telephone Allowance	39.39	38.58
	Total	3904.34	2809.29

		Rs. in Lacs	
		Current Year	Previous Year
22	FINANCIAL COST		
1	Interest on Cash Credit facility	11253.25	7872.12
2	Interest on Other loans	498.88	192.45
3	Bank Charges (Including LC , Bank Guarantee & Bill Discounting Charges & Others)	511.21	782.80
4	Bank Guarantee Charges	-	-
5	Gain / Loss Exchange Rate Fluctuation	-	350.52
6	Other Interest Paid	-	-
7	Renewal Charges of Bank CC A/c	-	-
	Total	12263.34	9197.89

		Rs. in Lacs	
		Current Year	Previous Year
23	DEPRECIATION & AMORTISED COST		
1	Depreciation	3106.00	2973.63
2	Preliminary Expenses W/O	0.99	0.99
3	Amortisation Expenses	506.44	402.40
	Total	3613.42	3377.01



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

		Rs. in Lacs	
		Current Year	Previous Year
24	OTHER ADMINISTRATIVE EXPENSES		
1	Audit Fees	21.04	18.78
2	Consultancy Charges	25.73	22.05
3	Conveyance Expenses	21.48	21.32
4	CSR Activities- Donation	7.09	10.33
5	Electricity Expenses	44.59	16.52
6	Legal & Professional charges	271.36	237.03
7	Post, Tele. & Courier Charges	7.98	12.57
8	Exchange Fluctuation	-	-
9	Rent, Rates & Taxes	242.87	120.22
10	Application Fees	9.81	5.67
11	Repairs & Maintenance Others	80.46	94.46
12	Printing & Stationary Expenses	18.46	17.26
13	Tender fees	2.05	2.89
14	Training Expenses	0.31	0.52
15	Sundry Expenses	46.28	17.77
16	Travelling Expenses	171.02	168.95
17	Vehicles Expenses	110.28	68.47
18	Office Expenses	192.16	51.20
19	Software Expenses	39.51	12.57
20	Insurance Exp (Car)	3.23	0.35
21	Mis .Expenses	0.58	7.55
22	Service Tax Expenses	29.94	21.20
23	Documentation Charges	-	-
24	Penalty	-	0.15
25	Hospitality Expense	12.72	27.34
26	Loss on Sales of Fixed Asset	0.76	1.22
27	Professional Tax	-	0.05
28	Preliminary Exp. Written off	-	-
29	Foreign Travel(Others)	16.03	3.68
30	House Keeping Expenses	56.34	37.20
31	Sundry Balances Written of	2.08	0.71
32	Bad Debts	-	-
33	Advertising Expenses	126.00	271.08
34	Sales Promotion Expenses	78.73	106.69
35	Commission on Sales	370.52	220.55
36	Marketing Expenses	1583.72	1035.70
37	Deferred Sales Liability	0.00	0.00
38	Income Tax for Prior Period	2.51	0.00
39	Vat /CST	2460.35	1820.76
40	Vat Paid	-	-
	Total	6055.98	4452.80



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

25 SIGNIFICANT ACCOUNTING POLICIES

PART A :

1 COMPANY OVERVIEW

Diamond Power Infrastructure Limited (the Company) is a public limited company domiciled and head quartered in India and incorporated under the provision of Companies Act, 1956. Its shares are listed on two stock exchanges in India. The Company is engaged in the manufacturing and selling of Conductor, Cables, Transmission Tower, Transformers. The Company caters mainly to the domestic market

2 SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of preparation

- a) The Consolidated Financial Statements are prepared in accordance with Accounting Standard (AS) 21 on Consolidated Financial Statements notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended). The Consolidated Financial Statements comprise the financial statements of Diamond Power Infrastructure Limited (the Company), its subsidiaries. The Company, its subsidiaries constitute the Group. Reference in these notes to the 'Company' or 'DPIL' shall mean to include Diamond Power Infrastructure Limited and/ or any of its subsidiaries, consolidated in these financial statements unless otherwise stated.
- b) The list of Companies which are included in consolidation and the Parent Company's holdings therein are as under:

Name of the Company Subsidiary	Percentage Holding	
	2014	2013
Diamond Power Transformers Ltd	99.60%	99.60%
Diamond Power Global Holding Ltd	100%	100%

- c) The Consolidated Financial Statements have been prepared and presented in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on an accrual basis. The Company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956 read with General Circular 15/ 2013 dated 13 September 2013, issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013.
- d) The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.
- e) The Consolidated Financial Statements of the Company and its Subsidiary Companies have been consolidated on a line-by-line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealized Profits/ Losses.

- f) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.
- g) Investment in associates where the Company directly or indirectly through subsidiaries holds more than 20% of equity, are accounted for using equity method as per Accounting Standard 23 – "Accounting for Investments in Associates in Consolidated financial Statements" notified by Companies (Accounting Standards) Rules, 2006 (as amended).

(ii) Use of estimates :

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and reported amounts of revenues and expenses for the year. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes different from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods.

(iii) Tangible Fixed assets :

Fixed Assets are stated at cost less accumulated depreciation up to the year. Expenditure incurred on improvement or replacement, which in the opinion of the management is likely to substantially increase the life of the assets and future benefits from it, is capitalized. Capital expenditure includes advances for assets under erection/installation are being grouped under capital work in progress. Fixed Assets are stated at cost less accumulated depreciation.

- a) The company has maintained proper records showing full particulars including quantitative details and situations of fixed assets of the company.
- b) As explained to us, the Company has a programme for physical verification of fixed assets in accordance with which the fixed assets have been physically verified during the year by the Management. In our opinion, the frequency of physical verification is reasonable. Having regard to the size of the operations of the Company and on the basis of explanations received, in our opinion, the net discrepancies found on physical verification were not material.

(iv) Depreciation on tangible fixed assets :

Depreciation is charged on Straight Line basis at rates specified in Schedule XIV of the Companies Act, 1956. Depreciation on addition / deletion or discarded Fixed Assets during the year is charged on pro - rata basis. Depreciation in book of Subsidiary is provided on written-down value basis at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 :



Schedules

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

25 SIGNIFICANT ACCOUNTING POLICIES , CONTINGENT LIABILITIES AND NOTES

Assets	Depreciation Rates (SLM)
Factory buildings	3.34%
Plant and machinery	7.42%
Office equipment	6.33%
Furniture and fixtures	6.33%
Vehicles	9.50%
Computers	16.21%
Electrical instrument	7.42%

(v) Borrowing Costs :

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue. In our opinion and according to the information and explanation given to us, and on an overall examination of the Balance Sheet of the Company, we report that generally no funds raised on short term basis have been used for long term investment by the Company

(vi) Investments :

Long-term investments are valued at cost. Investments in Subsidiary are stated at cost. Provision for diminution in value on long-term investments is made only if such decline is other than temporary in nature

(vii) Inventories:

Inventories of finished goods are valued at lower of costs or net realizable value inclusive of excise duty. Work in process (including finished stock pending QC inspection) is valued at cost representing material, labour and apportioned overheads as certified by the management. Other inventories are valued at cost. Materials related to Projects under implementation are valued at standard cost.

- i) Inventories are valued at lower of cost or net realizable value on FIFO basis.
- ii) Raw materials, Stores and spares — includes purchase price and freight
- iii) Work in progress — Material cost plus appropriate share of manufacturing overheads.
- iv) Finished Goods — Absorption cost basis and includes material, labour and appropriate overheads.

(viii) Cash and Cash equivalents

Cash and cash equivalents for the purpose of cash flow statement comprise cash in hand, demand deposits with banks and other short-term highly liquid investments / deposits with an original maturity of three months or less.

(ix) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have been passed to the buyer. Sales are disclosed net of sales tax / VAT, trade discounts and returns, as applicable. Excise duties deducted from turnover (gross) are the amounts that are included in the amount of turnover (gross) and not the entire amount of liability that arose during the year.

Income from services

Revenue from services is recognised pro-rata over the period of the contract as and when services are rendered.

Interest and Dividend Income

Interest income is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Dividend income is recognised when the Company's right to receive dividend is established by the Balance Sheet date.

(x) Foreign currency transactions

The Company has no Branch offices outside India. The Foreign currency transaction are recorded on initial recognition in the reporting currency by applying the exchange rate prevailing at the date of transaction .Any Income or Expense on account of exchange rate difference is recognized in the Income and Expenditure Account . Transactions in Foreign Currency are recorded at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currency are translated at the rate of exchange at the balance sheet date and resultant gain or loss is recognized in the profit and loss account. Gain/Loss on settlement of transaction arising on cancellation or renewal of a forward exchange contract is recognized as income or as expense of the period/year

(xi) Income taxes :

Provision for Current Income Tax is made after considering Company's claims under the Income Tax Act, 1961 .This Liability is calculated at the applicable tax rate or Minimum Alternate Rate under Section 115JB of the Income Tax Act 1961 as the case may be. Provision for Current Income tax is made on the assessable income at the tax rate applicable to the relevant assessment year

Deferred Tax is Calculated at the tax rates and Laws that have been enacted or substantially enacted as of Balance Sheet date and is recognized on timing differences that originated in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence are recognized and carried forward only to the extent that they can be released.

(xii) Provisions and contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where

SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

25 SIGNIFICANT ACCOUNTING POLICIES, CONTINGENT LIABILITIES AND NOTES

there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

(xiii) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(xiv) Impairment of Assets :

The Company has examined carrying cost of its identified Cash Generating Units (CGU) by comparing present value of estimated future cash flows from such CGUs, in terms of Accounting Standard-28 on impairment of Assets, and in absence of any indication of being potential impairment of Assets, no provision for impairment is required as assets of none of CGUs are impaired during the financial year under consideration. Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount.

(xv) Derivative Contracts :

Company as such in the current financial year has not entered into any such Derivative Contracts .

(xvi) Operating Cycle :

Assets and liabilities other than those relating to long-term contracts (i.e. supply or turnkey contracts) are classified as current if it is expected to realise or settle within 12 months after the balance sheet date. In case of long-term contracts, the time between acquisition of assets for processing and realisation of the entire proceeds under the contracts in cash or cash equivalent exceeds one year. Accordingly for classification of assets and liabilities related to such contracts as current, duration of each contract is considered as its operating cycle

(xvii) Segment Reporting

Identification of segments :

The Company's operating businesses are organized and managed separately according to the nature of products and services provided with each segment representing a strategic business unit that offers different products and serves different markets. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Segment Policies :

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole

PART B Notes to Accounts

1. Contingent Liabilities

- (a) Letter of Credit opened as on 31/03/2014 Rs. [19330.9] lakhs, Previous Year Rs. [38791.6] lakhs, materials under all letters of credit have been received and accounted for as Creditors, Buyer's credit opened Rs. 747.6 Lacs (Previous Year Rs. NIL) materials under all Buyer's credit have been received and accounted for as Creditors.
- (b) Outstanding Inland Bank Guarantees as of March 31, 2014 is Rs. 15160.51 Lacs (Previous Year Rs.17750 Lacs.) and outstanding Foreign Bank Guarantees as of March 31, 2014 is \$ 55.13 Lacs (Previous Year NIL).
- (c) Income tax demands being in appeal not provided for Rs. NIL (previous year Rs Nil).
- (d) There are no outstanding Claims against the Company.
- (e) Corporate guarantees issued to wholly owned subsidiary – Diamond Power Transformers Ltd. In favour of Indian Overseas Bank.

2. The company has been sanctioned the fund based and non-fund based working capital facilities as follows

Name of the Bank	Total Sanctioned Limit (Rs In Lacs)
Bank of India	35,000.00
Bank of Baroda,	28,600.00
AXIS Bank	12,800.00
ICICI Bank	15,900.00
Allahabad Bank	21,000.00
Dena Bank	8,407.00
Indian Overseas Bank	6,220.00
State Bank of Mysore	5,000.00
State Bank of Hyderabad	10,000.00
TOTAL	1,42,927.00

against the security of first pari passu charge on the entire current assets of the company by way of Hypothecation agreement and the second pari passu charge on the entire fixed assets of the company.

For Subsidiary having the Fund based and Non Fund Based Working Capital facilities of Rs 4000 Lacs from Indian Overseas Bank and Rs 4000 Lacs from UCO Bank Ltd against the security of first pari passu charge on the entire current assets of the company by way of Hypothecation agreement and the second pari passu charge on the entire fixed assets of the company.

3. Balance confirmation letters were sent out to various debtors and creditors. The confirmation of most of the Debtors and creditors is received. The balance of advances, debtors



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

25 SIGNIFICANT ACCOUNTING POLICIES, CONTINGENT LIABILITIES AND NOTES

and creditors are taken on the basis of book figures and are subject to confirmation. However, in the opinion of the Board, Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated. The provision made in the accounts for depreciation and for all other known liabilities is considered adequate and not in excess of the amounts reasonably necessary

4. The method of valuation of inventories adopted by the company is in accordance with the requirements of Accounting Standard 2 (Valuation of Inventories and as revised from time to time) issued by the Institute of Chartered Accountants of India.
5. In the opinion of the Management all the current assets, loans and advances and deposits are realizable at value stated in the ordinary course of the business which are at least equal to the amount at which they are stated in the books unless otherwise explicit.
6. *Segmental Reporting :*

The company is primarily engaged in the manufacture of conductors, cables and selling out-sourced products and EPC Contracts. As the company's manufacturing facilities are inter woven/ inter-mix due to the nature of its business with the EPC business, it is not possible to directly and specifically attribute or allocate on a reasonable basis, the expenses, assets & liabilities in different Segments. The segmental Sales product wise are as follows:

	(Rs in Lacs)		
Gross Segment Revenue	2013-14	2012-13	2011-12
Conductor	73,890.59	59,425.40	45,018.50
Cables (LT & HT)	1,48,574.04	1,18,293.70	1,02,396.90
Power Infrastructure –Turnkey Project [EPC]	15,787.37	15,978.40	29,234.50
Transmission Tower	38,329.37	27,360.20	8,584.20
Diamond Power Transformer Ltd	52,741.11	37,623.00	28,098.90
Diamond Power Global		8,822.00	-
Total Gross Sales	3,29,322.48	2,67,503.00	2,13,333.00
Less: Inter Segment Sales	125.10	-	7,619.20
Gross Sales	3,29,197.38	2,67,503.00	2,05,713.80
Less: Excise Duty	11,438.98	9,368.00	3,980.80
Net Sales	3,17,758.40	2,58,135.00	2,01,823.00

7. *Related Party Disclosures :*

(A) Particulars of Associates of the Company:

Name of the Related Party	Nature of Relationship
Diamond Info systems Ltd.	Associate Company of DPIL
Diamond Projects Ltd.	Associate Company of DPIL
Maktel control & Systems Pvt Ltd	Associate Company of DPTL
Maktel Power Ltd	Associate Company of DPTL

(B) Key Management Personnel and their Relatives

Key Management Personnel and their Relatives	Nature of Relationship
Mr. S.N.Bhatnagar	Chairman
Mr.Amit Bhatnagar	Managing Director
Mr. Sumit Bhatnagar	Jt. Managing Director
Mr Jayaram Marathe	Director

(D) Relatives of Key Management Personnel:

Key Management Relatives

Smt Madhurilata Bhatnagar
Smt Mona Bhatnagar
Smt Richa Bhatnagar

- (E) Enterprise under Significant influence of Key Management Personnel: None

SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

25 SIGNIFICANT ACCOUNTING POLICIES, CONTINGENT LIABILITIES AND NOTES

(F) Summary of the Transaction with related Parties and it's Associate Companies

Particulars	Associate	Key Management Personnel	Relative of key Management Personnel	Ent. Under significant Influence of key Mgt. Personnel & their relatives	(Rs in Lacs)
					Total
Purchase/ (sales) of Goods	3566.12	Nil	Nil	Nil	3566.12
Receipts/ Rendering of services	Nil	Nil	Nil	Nil	Nil
Rent (Paid)/ Recd.	6.12	Nil	Nil	Nil	6.12
Advances Recd/(Given)	62.35	45.47	9.36	Nil	117.18
Directors Remuneration	Nil	596.74	Nil	Nil	596.74
Outstanding Receivable as on 31.03.2014	Nil	Nil	Nil	Nil	Nil

Note: The above information has been determined to the extent such parties have been identified on the basis of information provided by the Company and approved by the Board of Directors of the Company, which has been relied upon by the Auditors. Enterprise under the same management include Wholly Owned Subsidiary Diamond Power Transformers Ltd & Diamond Power Global Holding Ltd. As per the observation of subsidiary auditor comments that there is no any associate transaction had taken place during the financial year so we had not taken into the above related party transactions

8. Earnings Per Share (EPS) :

	Rs. in Millions	
	March 31, 2014	March 31, 2013
I Profit Computation for both Basic and Diluted Earnings Per Share of Rs.10 each		
Net Profit as per Profit & Loss Account available for Equity Shareholders	1100.31	1040.63
II Weighted average number of equity shares for Earnings per share computation		
(A) For Basic Earnings per Share	44,644,093	37,206,371
(B) For Diluted Earnings per Share	44,644,093	37,206,371
No. of shares for Basic EPS as per II A		
Add: Weighted Average outstanding Option / Shares deemed to be issued for no consideration		
No. of shares for Diluted Earnings per share	44,644,093	37,206,371
III Earnings per Share (Weighted Average)		
Basic	24.64	27.97
Diluted	24.64	27.97

9. Dues to micro, small and medium enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an office memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated.

After filing of the Memorandum in accordance with the 'Micro, Small and Medium Enterprises Development Act, 2006' ('the Act'). Accordingly, the disclosure in respect of the amounts payable to such enterprises as at March 31, 2011 has been made in the financial statements based on information received and available with the Company. Detail of the Small Scale Industries (SSI) units which have supplied the materials to the company and to whom the company owes a sum exceeding RS 1.00 Lacs and which is outstanding for more than 30 days is Nil

In Book of Subsidiary Under the Micro, Small and Medium Enterprise Development Act, 2006, which came into effect from October 2, 2006, certain disclosures are required to be made relating to Micro, Medium and Small Enterprises. Based on the information available with the Company, there are no Creditors as on 31' March 2014 registered under the MSMED Act, 2006

Note: The above Information regarding Small Scale Industrial undertaking has been determined to the extent such parties has been identified on the basis of information available with the company. The same has been relied upon by the Auditors. To confirm names/ figures



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

25 SIGNIFICANT ACCOUNTING POLICIES, CONTINGENT LIABILITIES AND NOTES

10. Sales include an amount of Rs Nil Million (Net of Duty) of inter- unit Transfer (Previous year Rs Nil Million).
11. Aggregate directors' remuneration is Rs. 195.97 Lacs (previous year Rs. 171.20 Lacs). The remuneration of directors is as per the approval accorded by remuneration Committee, shareholders and Central Government as per the provisions of section 311 read with Schedule XIII of the Companies Act, 1956.
12. Aggregate Auditor's remuneration is fixed at Rs. 16.20 Lacs (previous year Rs 18.40 Lacs).
Which includes Rs 15.20 Lacs as Audit Fees (Previous year Rs 15.20 Lacs).
13. As per Accounting Policy (10) on excise duty, the excise duty payable on finished goods in stocks at works amounting to Rs 71.12 Lacs (previous year Rs 1090 Lacs) has been included in the expenditure and in such stocks. However, the same has no impact on the profit for the year.
14. There are no amounts due and outstanding to be credited to investor Education and Protection Fund.
15. Details of Licensed, Installed Capacities and Production:

Goods Manufactured	Licensed Capacity	Installed Capacity Current Year	Production Current Year	Production Previous Year
			12 Months	12 Months
All Aluminium Alloy Conductors & ACSR Conductor (Excluding Conductors used In Cables)	NA	50500 MTPA	44810 MTPA	43035 MTPA
LT Electric Power Cables & Control Cables	NA	34300 Kms	33320 Kms	30589 Kms
HT Cables	NA	5600 Kms	5518 Kms	5485 Kms
EHV Cables	NA	2000 Kms	1527 Kms	1035 Kms
Transmission Towers	NA	48000 MTPA	47374 MTPA	47031 MTPA
Transformers	NA	5000 mva	6272 (Nos.)	5985 (Nos.)

Consumption of Assorted Wire / Wire rods is not provided, as they are totally consumed in-house for manufacture of conductors. Installed capacity and capacity utilization are as certified by the management and not verified by the auditors being a technical matter. The quantity in Kms. cannot be comparable as the weight per Kms of each conductor varies on the cross section area and current carrying capacity. Hence, the production has been shown in Kms. The Quantity are usually taken as per relevant IS standards.

16. Details of Raw Materials Consumed (including captive consumption)

Description of Item	U.O.M	Quantity For the year 2013-14	Quantity For the year 2012-13
Aluminium	M.Ts.	1,01,041	84,646
Copper	M.Ts.	3,347	2861
Transformer	Nos	6272	5985

17. Value of Imported and indigenous Raw Material Consumed thereof.

(Rs. in Millions)

Raw Materials	Current year (2013-14)	Previous year (2012-13)
Imported	334.60	507.91
Indigenous	26721.47	19266.42

18. Particulars of Sales and Stocks:

Item	U.O.M	Opening Stock	Sales	Closing Stock
Conductors	Kms.	1908.35	120926	2763.29
Cables	Kms.	2216.40	39365	2415.87
Transmission Tower	MT	23.00	47240	28
Transformer	Nos	17	6289	13



SCHEDULES

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

25 SIGNIFICANT ACCOUNTING POLICIES , CONTINGENT LIABILITIES AND NOTES

19. Expenditure in Foreign Currency

(Rs. in Millions)

Particular	2013-14	2012-13
Import on CIF Basis	747.85	827.28
Travelling Expenses	3.13	5.05
Others	2.16	1.63

20. Income in Foreign currency

(Rs. in Millions)

Particular	FOB Value of Export 2013-14	FOB Value of Export 2012-13
Exports	151.42	Nil
Foreign exchange fluctuation	20.22	Nil

21. Gratuity

The company operates one defined plans viz, gratuity for its employees. Under the gratuity plan every employee who has completed at least 5 years of services gets a gratuity on departure @ 15 days of last drawn salary for each completed year of service.

The following tables summarize the components of net benefit expenses recognized in the statement of Profit & Loss and the liability as per report shown in Balance sheet.

(Rs. in Millions)

Expense Recognized In The Income Statement

	2013-14	2012-13
Current service cost	0.29	-
Interest cost	0.56	-
Actual (gain)/losses	0.28	-
Expenses Recognized In P & L	1.13	-

Balance Sheet-Benefit Asset/Liability

	2013-14	2012-13
Present value of defined benefit obligation	-7.92	-
Fair value of plant asset	-	-
Plan Asset Liability	-7.92	-

Changes In The Present Value of Defined Benefit Obligations Are As Follows

	2013-14	2012-13
Opening defined benefit obligations	6.96	-
Interest cost	0.56	-
Current service cost	0.29	-
Benefit paid	-0.16	-
Actuarial (gain)/losses	0.28	-
Closing Defined Benefit Obligations	7.93	-



Schedules

Forming Integral Part of the Financial Statements as at 31st March, 2014 (Contd.)

25 SIGNIFICANT ACCOUNTING POLICIES , CONTINGENT LIABILITIES AND NOTES

22. Bank interest and cost includes the amounts provided towards currency fluctuation towards entire year to calculate the quarter profits such amounts of year end adjustments are to be excluded.
23. The amounts of sales and profits include the sales from the company's Manufacturing operations, Branches and fully owned subsidiaries i.e Diamond Power Transformers Ltd., and Diamond Power Global Holding Ltd.
24. Annual Provision and provisions of expenses related to the commencement of the production from the new facilities resulted in increase in the cost of Q-4 2013-2014, the benefits of which are expected over the next year.

Previous year figures are regrouped /reclassified where ever necessary to make them comparable with the current year.

SIGNATURES TO THE SCHEDULES 1 To 25 FORMING PART OF THE ACCOUNTS

For **VIJAY. N. TEWAR & CO.**

(Chartered Accountants)

VIJAY N. TEWAR

Proprietor

Membership no. 040676

Date : 30th May, 2014

Place : Vadodara

For & on behalf of the Board of Directors

S. N. BHATNAGAR

Chairman

AMIT BHATNAGAR

Managing Director

SUMIT BHATNAGAR

Joint Managing Director

NISHANT JAVLEKAR

Company Secretary



Diamond Power Infrastructure Limited

CIN: L31300GJ1992PLC018198

Corporate Office: "Essen House", 5/9-10, B.I.D.C., Gorwa, Vadodara-390016, (Gujarat) India, Ph.: 0265-2284328, 2283969, Fax: 0265-2280528

Email: marketing@dicabs.com Website: www.diatron.in

Registered Office: Phase II, Village: Vadadala, Tal.Savli, Dist. Vadodara-391520, India. Ph.: 02667-251516, 251354 Fax: 02667-251202

E-Communication Registration Form

Dear Shareholders,

You are aware that the provisions of Companies Act, 2013 have been made effective. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules issued there under, Companies can serve Annual Reports and other communications through electronic mode to those shareholders who have registered their email address either with the Company or with the Depository.

It is a welcome move for the society at large, as this will reduce paper consumption to a great extent and allow shareholders to contribute towards a greener environment. This is a golden opportunity for every shareholder of Diamond Power Infrastructure Limited to contribute to the cause of Green Initiative.

We therefore invite all our shareholders to contribute to the cause by filling up the form given below to receive communication from the Company in electronic mode. You can also download the appended registration form from the website of the Company www.diatron.in

Let's be a part of this 'Green Initiative'!

Please note that as a Member of the Company, you will be entitled to receive all such communication in physical form, upon request

Best Regards,

Shri S N Bhatnagar

(Chairman)

E-Communication Registration Form

Folio No. / DP ID and Client ID :

Name of the Registered Holder :

Name of the Joint Holder[s] :

Registered Address :

E-mail ID (to be registered) :

I / We shareholder(s) of Diamond Power Infrastructure Limited agree to receive communication from the Company in electronic mode.

Please register my above e-mail ID in your records for sending communication in electronic form

Date :

Sign :



Corporate Information

Board of Directors

Shri S N Bhatnagar	<i>(Chairman)</i>
Shri Amit Bhatnagar	<i>(Managing Director)</i>
Shri Sumit Bhatnagar	<i>(Jt. Managing Director)</i>
Shri Kirit Vyas	<i>(Independent Director)</i>
Shri Aswini Kumar Sahoo	<i>(Independent Director)</i>
Shri Ranvir Shekhawat	<i>(Independent Director)</i>
Shri Karthik Athreya	<i>(Nominee Director)</i>
Shri Ashok Kumar Gautam	<i>(Independent Director)</i>
Shri Ashok Kumar Singh	<i>(Independent Director)</i>
Shri Bhavin Shah	<i>(Non Executive Director)</i>

Audit Committee

Shri Ranvir Shekhawat	<i>(Chairman)</i>
Shri Aswini Sahoo	
Shri Amit Bhatnagar	

Stake Holders' Relationship & Grievance Committee

Shri Kirit Vyas	<i>(Chairman)</i>
Shri Ranvir Shekhawat	
Shri Aswini Sahoo	

Share Transfer Committee

Shri Suresh Bhatnagar	<i>(Chairman)</i>
Shri Amit Bhatnagar	
Shri Sumit Bhatnagar	

Debenture Issue Committee

Shri Suresh Bhatnagar	<i>(Chairman)</i>
Shri Amit Bhatnagar	
Shri Sumit Bhatnagar	

Nomination & Remuneration Committee

Shri Ranvir Shekhawat	<i>(Chairman)</i>
Shri Kirit Vyas	
Shri Aswini Sahoo	

CSR Committee

Shri Aswini Sahoo	<i>(Chairman)</i>
Shri Amit Bhatnagar	
Shri Sumit Bhatnagar	

Auditors

VIJAY N TEWAR & CO. (Statutory Auditor) 315-316, Panorama, R.C Dutt Road, Vadodara – 390 007, Gujarat
A YADAV & ASSOCIATES (Internal Auditor) Office No. 202, Tower-A, Iscon Atria, Iscon Heights Gotri Road, Vadodara - 390021, Gujarat

Affairs Compliance Audit

Secretarial Auditors	Devesh Vimal & Co.
Cost Auditors	S S Puranik & Associates

Legal Advisors

Advocate Harshad J Shah

Company Secretary

Nishant Javlekar
Contact Details : 0265-2284328
Fax Details : 0265-2280528
Mail id: cs@dicabs.com

Corporate Office

Essen House, 5/9-10, BIDC Gorwa, Vadodara 390016	
Contact Details	0265-2284328, 0265-2283969
Fax Details	0265-2280528
Mail id	marketing@dicabs.com

Registered Office

Phase II, Village Vadadala, Taluka Savli, District Vadodara 391520	
Contact Details	02667-251354, 02667-251516
Fax Details	02667-251202



Notes

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DIAMOND POWER INFRASTRUCTURE LIMITED

www.diatron.in



CIN: L31300GJ1992PLC018198

Corporate Office: "Essen House", 5/9-10, B.I.D.C., Gorwa, Vadodara-390016, (Gujarat) India, Ph.: 0265-2284328, 2283969, Fax: 0265-2280528

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Notice

is hereby given that the Twenty Second Annual General Meeting of the Members of the M/s Diamond Power Infrastructure Limited will be held on Tuesday, 30th September, 2014 at 10.00 a.m at the Registered Office of the Company situated at Phase II, Village: Vadadala, Tal: Savli, Dist: Vadodara - 391520 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Profit & Loss Account for the year ended on 31st March, 2014 and Balance Sheet as on that date together with the Reports of the Directors and Auditors thereon.
2. To Appoint a director in place of Shri Bhavin Shah bearing DIN 03288449, who retires by rotation and, being eligible, seeks re-appointment.
3. To Consider and Re-appoint Vijay N Tewar & Company Statutory Auditor of the Company and to fix their remuneration.

ORDINARY RESOLUTION:

"RESOLVED THAT, pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, Shri Vijay N.Tewar, Chartered Accountant, Vadodara, bearing ICAI Membership No. 40676, be and is hereby appointed as the Auditor of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the third Annual General Meeting held thereafter (subject to ratification of the appointment by the members at every AGM held after this AGM) on a remuneration as may be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Shri Ashok Kumar Gautam (holding DIN 06947087), Additional Director of the Company who retires by rotation at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member, under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 27th Annual General Meeting of the Company in the calendar year 2019."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, Shri Ashok Kumar Singh (holding DIN 01489637), Additional Director of the Company who retires by rotation at this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member, under Section 160 of the Companies Act, 2013, proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 27th Annual General Meeting of the Company in the calendar year 2019."

6. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT in supersession of the ordinary resolution passed at the Extra ordinary General Meeting held on 21st November, 2009 under section 293(1)(a) of the Companies Act, 1956 and pursuant to the provisions of section 180(1) (a) of the Companies Act, 2013 and all other applicable provisions if any, or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force and in terms of Articles of Association of the Company, the consent of the members be and is hereby accorded to the Board of Directors of the Company for mortgaging / charging all or any of the immovable and movable properties of the Company both present and future and the whole or substantially the whole of the undertaking or the undertakings of the Company on such terms and conditions, as may be agreed to between the Board and Lender(s) to secure the loans / borrowings obtained or as may be obtained, which may exceed the paid-up capital and free reserves in the ordinary course of business but not exceeding 3500 Crores (Rupees Three Thousand Five Hundred Crores only) at any one time."



“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorized to do all such acts, deeds and things as it may in its absolute discretion may deem fit, necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the borrowing(s) aforesaid and further to do all such acts, deeds and things and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

7. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT in supersession of the Ordinary Resolution approved at the Annual General Meeting held on 28th September, 2012 and pursuant to the provisions of Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) subject to such approvals, consents, sanctions and permissions, as may be necessary, and the Articles of Association of the Company and all other provisions of applicable laws, the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the “Board”, which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board by this Resolution) to borrow monies in excess of the aggregate of the paid-up share capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained / to be obtained from the Company’s Bankers in the ordinary course of business, shall not be in excess of 3500 Crores (Rupees Three Thousand Five Hundred Crores only).

“RESOLVED FURTHER THAT the Board of the Company be and is hereby authorised to do or cause to be done all such acts, matters, deeds and other things as it may in its absolute discretion deem fit, required or considered necessary or incidental thereto, for giving effect to the aforesaid resolution.”

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE AT THE MEETING. THE PROXY NEED NOT BE A MEMBER.
2. PROXY INSTRUMENT SHOULD BE DULY COMPLETED, STAMPED, SIGNED AND MUST BE DEPOSITED AT THE CORPORATE OFFICE OF THE COMPANY SITUATED AT 5/9-10, “ESSEN HOUSE”, BIDC, GORWA, VADODARA, 390016, GUJARAT, INDIA NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. No person shall be entitled to attend or vote at the meeting as a duly authorized representative of a company or any corporate which is a shareholder of the company, unless a copy of the resolution appointing him/her as a duly authorized representative, certified to be true copy by the Chairman of the meeting at which it was passed, shall have been deposited at the Corporate office of the company situated at 5/9-10, “Essen House”, BIDC, Gorwa, Vadodara, 390 016, Gujarat, India not less than 48 hours before the date of Annual General Meeting.
4. Pursuant to Section 91 of the Companies Act 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Friday, 26th of September, 2014 to Tuesday, 30th of September, 2014 (both days inclusive).
5. The Members are requested to make correspondence for any matters relating to Transfer or Dematerialization of Shares, changes in their addresses or bank details, names of the holders with Registrar and Transfer Agent (R. & T. A.) M/s. Karvy Computershare Private Limited, Plot No. 17 to 24, Vittalrao Nagar, Madhapur, Hyderabad 500 081.
6. As a measure of economy, the Company does not distribute the copies of Annual Report at the meeting. Hence, the members are requested to bring their copies with them.
7. As a responsible corporate citizen, the Company welcomes and supports the ‘Green Initiative’ taken by the Ministry of Corporate Affairs, enabling the Company to effect electronic delivery of documents. The above initiative will go a long way in conserving paper which is a natural resource as also result in substantial savings on printing and posting of annual reports and other documents of your Company sent to Members. Members are requested to support this Green Initiative by updating their email addresses with their respective Depository Participants, in case of electronic shareholding; or registering their email addresses with the Company’s Registrar and Transfer Agents, in case of physical shareholding.
8. Members seeking any information on the Accounts of the Company are requested to write to the Vice President, Accounts, which should reach to the Company at least one week before the date of Annual General Meeting, so as to enable the management to keep the information ready. However, replies will be provided only at the Annual General Meeting.
9. Pursuant to the directives given by the SEBI, trading of our Company’s shares in Dematerialized form has been made compulsory for all investors with effect from 26th February, 2001. The Company has entered in to an agreement with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) as an issuer Company for the dematerialization of the Company’s Shares. Request for



dematerialization of Shares may be sent through respective Depository Participants.

10. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Businesses to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
11. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants. The address/bank mandate as furnished to the Company by the respective Depositories viz, NSDL and CDSL will be printed on the dividend warrants.
12. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting of the Company.
The Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting of the Company.
13. Members may also note that the Notice of the 22nd Annual General Meeting and the Annual Report for 2013-14 will also be available on the Company's website www.diatron.in
14. Member's desire of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to send the same to the office of the Registrar and Share Transfer Agent of the Company.
15. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID Numbers for identification.
16. In terms of Sections 123 and 124 of the Companies Act, 2013, the amount of dividend remaining unclaimed or unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to the Investor Education and Protection Fund (IEPF).
17. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Member holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their Demat Accounts. Members holding shares in physical form are requested to submit their PAN details to the Registrar & Share Transfer Agent of the Company.
18. Voting through electronic means
In accordance with provisions of section 108 of the Companies

Act, 2013 read with the Companies (Management and Administration) Rules, 2014 the business may be transacted through electronic voting system and the Company is providing facility for voting by electronic means ("e-voting") to its members. The Company has engaged the services of Karvy Computer Shares Pvt. Ltd. to provide e-voting facilities and for security and enabling the members to cast their vote in a secure manner. It may be noted that this e-voting facility is optional. The e-voting facility will be available at the link <https://evoting.karvy.com>

Commencement of e-voting, From Monday 22nd September, 2014 at 9 a.m., Closure of e-voting, Wednesday, 24th September, 2014 Up to 5 p.m.

The login ID and password for e-voting along with process, manner and instructions for e-voting is being sent to the members who have not registered their e-mail IDs with the Company along with physical copy of the notice. Those members who have registered their e-mail IDs with the Company / their respective Depository Participants are being forwarded the login ID and password for e-voting along with process, manner and instructions by e-mail.

Following are the instructions for members voting through electronic system:

A. Instructions for members whose email IDs are registered with the Company/ their respective Depository participant(s) - Member will receive an Email from Karvy:

1. Launch Internet browser and log on to the URL: <https://evoting.karvy.com>.
2. Enter the login credentials (i.e. User ID and password mentioned herein below). Your Folio No./ DP ID – Client ID will be your User ID.
However, if you are already registered with Karvy for e – voting, you can use your existing User ID password for casting your vote.
3. After entering these details appropriately, Click on "LOGIN"
4. In case of new users: You will now reach password change Menu wherein you are required to mandatory change password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character with (@, #, \$, etc.). The system will prompt you to enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.



5. You need to login again with the new credentials.
6. On successful login, the system will prompt you to select the "EVENT" i.e. Diamond Power Infrastructure Limited.
7. On the voting page, enter the number of shares (which represents the number of votes) held as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding. You may also choose the option ABSTAIN. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and shares held will not be counter under either head.
8. Shareholders holding multiple folios/demat accounts shall choose the voting process separately for each folios/demat accounts.
9. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
10. You may then cast your vote by selecting an appropriate option and click on "Submit".
11. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution, you will not be allowed to modify your vote. During the voting period, Members can login any numbers of times till they have voted on the Resolution (S).
12. Corporate/Institutional Members (i.e. other than individuals, HUF, NRI etc.) are also required to send scanned certified true copy (pdf format) of the Board Resolution/ Authority Letter, etc. together with attested specimen signature(s) of the duly authorized representative(s), to Scrutinizer at email maildeveshpathak@rediffmail.com with a copy marked to evoting@karvy.com and cs@dicabs.com. The scanned image of the above mentioned documents should be in the naming format "Diamond Power Infrastructure Limited AGM 30th September, 2014".

- B. Instructions for members whose email IDs are not registered with the Company/ their respective Depository participants(s) or who have specifically requested for hard copy - Member will receive physical copy of the Notice of AGM:
- i. User ID and initial password as provided herein below.
 - ii. Please follow all steps from SI. No. (1) To SI No. (12) Mentioned above under (Instructions for members whose email IDs are registered with the Company/ their respective Depository participants(s)), to cast vote.

Notes:

- I. In case of any queries relating to E-Voting please visit Help & FAQ section of <http://evoting.karvy.com> (Karvy Website).
- II. You can also update your mobile number and email id in the user profile details of the folio which may be used for the sending future communication(s).
- III. The e-voting period commence on Monday, 22nd September, 2014 (9 a.m.) and ends on Wednesday 24th September, 2014 (5 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on cut-off date (record date) being 29th August, 2014 may cast their vote electronically in the manner and process set out herein above. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Members, the Members shall not be allowed to change it subsequently. Further the Members who have casted their vote electronically shall not vote by way of poll, if held, at the meeting.
- IV. The voting rights of shareholders shall be in proportion to equity shares of the Company held by them as on the cut-off date (record date) being 29th August, 2014.
- V. The Board of Directors have appointed M/s. Devesh Vimal & Co., Practicing Company Secretary as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VI. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make Scrutinizer's Report of the votes cast in favour or against, if any, for with to the Chairman of the Company.
- VII. The results shall be declared on the date of AGM of the Company and the resolution will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the Resolution(s).
- VIII. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.diatron.in and on the website of the service provider (<https://evoting.karvy.com>) within two (2) days of passing the resolution at the AGM of the Company and will also be communicated to National Stock Exchange of India Limited and BSE Limited.

EVENT (E Voting Event Number)	User ID	Password



19. Information required under Clause 49 (IV)(G) of the Listing Agreement (relating to Corporate Governance) with respect to the Director being appointed and Director retiring by rotation and being eligible for re-appointment is as under:

Name of the Director	Shri Ashok Kumar Gautam (DIN06947087)
Position	Independent Director
Profile	Shri Ashok Kumar Gautam was appointed by the Board of Directors of the Company as an Additional Independent Director w.e.f. 9th August, 2014. Shri Ashok Kumar Gautam is one of the leading consultants for many Corporates. He has a vast experience in Tax administration and is presently one of the top professional in Tax Matters in the country. He was with Reserve Bank of India in 1976 and after Joining IRS (Income Tax) in 1977, served around 35 years in Indian Revenue Service in 6 different states in the country.
Date of Joining	9th August, 2014
No. of Shares held in the Company	Not Applicable
Directorship in other Companies	Not Applicable

Name of the Director	Shri Ashok Kumar Singh (DIN 01489637)
Position	Independent Director
Profile	Shri Ashok Kumar Singh was appointed by the Board of Directors of the Company as an Additional Director w.e.f. 3rd September, 2014. Shri Ashok Kumar Singh is having massive experience of over 36 years with Government of Uttar Pradesh and Government of India, he is retired I.A.S Officer and served with many prestigious government organizations, he also served as Magistrate and Dy. Labour Commissioner. He was Secretary for Planning Department, U. P. Government. Other than above, he was awarded for the best performance as Dist. Magistrate and honored with President of India's Silver Medal for the best work on census operation as Dist. Magistrate Basti.
Date of Joining	3rd September, 2014
No. of Shares held in the Company	Not Applicable
Directorship in other Companies	Not Applicable

Name of the Director	Shri Bhavin Shah (DIN03288449)
Position	Non-Executive Director
Profile	Shri Bhavin Shah was nominated on the Board of the Company by Kotak India Growth Fund II, Non-Financial Institution and was appointed as a Non-Executive Director w.e.f. 9th November, 2011. He is a qualified Chartered Accountant and holds an MBA from the Indian Institute of Management (IIM), Ahmedabad. Shri Bhavin Shah is presently an Associate Director at Kotak Private Equity and member of the investment team responsible for investments, portfolio oversight and monetization. Earlier, he was a Senior Vice President at Kotak Investment Banking where he was responsible for private equity fund raising for corporates. Prior to Kotak, he worked with Crimson Investments, a \$500 mn private equity fund based in Hong Kong with a focus on investments in emerging markets including India.
Date of Joining	9th November, 2011
No. of Shares held in the Company	Not Applicable
Directorship in other Companies	DynaSpede Integrated Systems Pvt. Ltd. Manipal Health Enterprises Pvt. Ltd.*

The Board of Directors recommended the re-appointment of Shri Ashok Kumar Gautam, Shri Ashok Kumar Singh and Shri Bhavin Shah and except them; none of the Directors are concerned or interested in his re-appointment further this is to note that appointment of Shri Ashok kumar singh was discussed in the meeting held on 9th August, 2014.

20. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company between 11.00 am and 1.00 pm on all working days except Saturday, up to and including the date of the Annual General Meeting of the Company.

By Order of the Board,

S N BHATNAGAR
Chairman

Registered Office:
Phase II, Village. Vadadala, Tal. Savli,
Dist. Vadodara 391520, Gujarat, India
Date: 9th August, 2014
Place: Vadodara



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

ITEM NO. 4

Shri Ashok Kumar Gautam is an Independent Director of the Company pursuant to Clause 49 of the Listing Agreement. He joined the Board of Directors of your Company in August, 2014 as an Additional Director appointed by Board of Directors.

Shri Ashok Kumar Gautam is one of the leading consultants of India for many Corporates. He is one of the auspicious Professional on the Tax Matters. He served around 33 years in Indian Revenue Services and he is also a Master of Science in physics.

He is not holding any shares in the Company. The Company has received declaration from him that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

The Board of Directors of your Company after reviewing the declaration submitted by Shri Gautam, are of the opinion that he meets the criteria of independence as per the provisions of Section 149(6) of the Companies Act, 2013 and rules made thereunder and also meets with the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges, for his appointment as an Independent Director of the Company and is independent of the management.

However, in terms of Section 149 and any other applicable provisions of the Companies Act, 2013, being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director of your Company for 5 (Five) consecutive years for a term up to the conclusion of the 27th Annual General Meeting of the Company in the calendar year 2019. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Companies Act 2013, proposing Shri Ashok Kumar Gautam as a candidate for the office of Director of the Company.

ITEM No. 5

Shri Ashok Kumar Singh is an Independent Director of the Company pursuant to Clause 49 of the Listing Agreement. He joined the Board of Directors of your Company in 3rd September, 2014 as an Additional Director appointed by Board of Directors.

Shri Ashok Kumar Singh is retired I.A.S Officer, He has colossal experience of more than 36 years with Government of Uttar Pradesh and Govt. of India, He honoured with awards like finest performer as District Magistrate by Govt. of U.P. and President of India's Silver Medal for best work on census operation as District Magistrate Basti. He had served as a Secretary for Planning Department for Uttar Pradesh Government and Dy. Labour Commissioner for Lucknow Region other than this he played pivot roles for many significant Departments of Government.

He is not holding any shares in the Company. The Company has received declaration from him that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

The Board of Directors of your Company after reviewing the declaration submitted by Shri Singh, are of the opinion that he meets the criteria of independence as per the provisions of Section 149(6) of the Companies Act, 2013 and rules made thereunder and also meets with the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges, for his appointment as an Independent Director of the Company and is independent of the management.

However, in terms of Section 149 and any other applicable provisions of the Companies Act, 2013, being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director of your Company for 5 (Five) consecutive years for a term upto the conclusion of the 27th Annual General Meeting of the Company in

the calendar year 2019. The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Companies Act 2013, proposing Shri Ashok Kumar Singh as a candidate for the office of Director of the Company.

ITEM No. 6

For creation of security through mortgage or pledge or hypothecation or otherwise or through combination for securing the limits as may be sanctioned by the lenders, for the loans to be sanctioned by any one or more Company's bankers and /or by any one or more persons, firms, bodies corporate, or financial institutions or banks, the Company would be required to secure all or any of the movable and immovable properties of the Company present and future. Section 180(1)(a) of the Companies Act, 2013, provides that the Board of Directors of a Company shall not, without the consent of members in general meeting, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company, hence it is necessary for the members to pass a resolution under section 180(1) (a) of the Companies Act, 2013 authorizing the Board of Directors or its committees to mortgage / charge the properties and/or the whole or substantially the whole of the undertaking of the Company as aforesaid to the lenders.

Mortgaging / charging the properties of the Company require approval of Members in the General Meeting pursuant to the provisions of section 180(1)(a) of the Companies Act, 2013. The resolution set forth in Item No.5 therefore requires approval of the members.

Your Directors recommend the above Special Resolution for your approval.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

ITEM No. 7

The members of the Company at their Annual General Meeting held on 28th September, 2012 approved, by way of an Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956, borrowings over and above the aggregate of paid up share capital and free reserves of the Company provided that the total amount of such borrowings together with the amounts already borrowed and outstanding at any point of time shall not be in excess of Rs.3,500 crores (Rupees Three Thousand and Five Hundred Crore).

Section 180(1)(c) of the Companies Act, 2013 effective from September 12, 2013 requires that the Board of Directors shall not borrow monies in excess of the Company's paid up share capital and free reserves, apart from temporary loan so obtained / to be obtained from the Company's bankers in the ordinary course of business, except with the consent of the Company accorded by way of a special resolution.

It is, therefore, necessary for the members to pass an Special Resolution under Section 180(1) (c) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013, as set out at Item No. 6 of the Notice, to enable the Board of Directors to borrow monies not exceeding Rs.3,500 Crore.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 7.

By Order of the Board,

S N BHATNAGAR
Chairman

Registered Office:
Phase II, Village. Vadadala, Tal. Savli,
Dist. Vadodara 391520,
Gujarat, India
Date: 9th August, 2014
Place: Vadodara



Diamond Power Infrastructure Limited

CIN: L31300GJ1992PLC018198

Corporate Office: "Essen House", 5/9-10, B.I.D.C., Gorwa, Vadodara-390016, (Gujarat) India, Ph.: 0265-2284328, 2283969, Fax: 0265-2280528

Email: marketing@dicabs.com Website: www.diatron.in

Registered Office: Phase II, Village: Vadadala, Tal.Savli, Dist. Vadodara-391520, India. Ph.: 02667-251516, 251354 Fax: 02667-251202

FORM NO. MGT-11

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014

Name of the Member(s):
Registered Address:
E-mail Id:
Folio No./Client Id:
DP ID:

I/We, being the member (s) of Shares of the above named Company, hereby appoint

1. Name:
Address:
E-mail Id:
Signature: _____, or failing him

2. Name:
Address:
E-mail Id:
Signature: _____, or failing him

3. Name:
Address:
E-mail Id:
Signature:

As my/our proxy to attend and vote (on a poll) for me/ s and on my/our behalf at the 22nd Annual General Meeting of the Company, to be held on the 30th September, 2014 at 10 a.m. at Vadodara and at any adjournment thereof in respect of such resolutions as are indicated below:

Res. No	Description	For*	Against*
01	Adoption of Annual Accounts and Reports thereon for the financial year ended 31st March, 2014.		
02	To Appoint a director in place of Shri Bhavin Shah bearing DIN 03288449, who retires by rotation and, being eligible, seeks re-appointment.		
03	To Consider and Re-appoint Vijay N Tewar & Co. Statutory Auditor of the Company and to fix their remuneration.		
04	Appointment of Mr. Ashok Kumar Gautam as an Independent Director of the Company for a term of upto five years.		
05	Appointment of Mr. Ashok Kumar Singh as an Independent Director of the Company for a term of upto five years.		
06	Resolution for the consent of the members be and is hereby accorded to the Board of Directors of the Company for mortgaging / charging all or any of the immovable and movable properties of the Company both present and future		
07	Resolution of the board to exercise the powers conferred on the Board by this Resolution) to borrow monies in excess of the aggregate of the paid-up share capital and freereserves of the Company.		

Signed this day of September, 2014

Signature of Shareholder

Affix Revenue Stamp