

DIAMOND POWER INFRASTRUCTURE LIMITED

CIN No. L31300GJ1992PLC018198
REGD. OFFICE: PHASE-II, VILLAGE-VADADALA, TA.SAVLI,
DIST.: VADODARA – 391 520, GUJARAT, INDIA
Email: cs@dicabs.com, website: www.diatron.in
Contact No. 02667 – 251516 Fax – 02667- 251202

POSTAL BALLOT NOTICE

Dear Member,

NOTICE PURSUANT TO SECTION 110 OF THE COMPANIES ACT, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014.

Notice is hereby given pursuant to Section 110 and other applicable provisions, if any, of the Companies Act, 2013, (the "Act"), read together with the Companies (Management and Administration) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force, that the resolutions appended are proposed to be passed as special resolutions by way of postal ballot / e-voting. The explanatory statement pertaining to the said resolutions setting out the material facts concerning each item and the reasons thereof is annexed hereto along with a postal ballot form (the "Form") for your consideration. The Board of Directors of the Company (the "Board") has appointed Shri Devesh Pathak of Devesh Vimal & Co., Practising Company Secretaries as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner.

You are requested to carefully read the instructions printed on the Form, record your assent (for) or dissent (against) therein by filling necessary details and affixing your signature at the designated place in the Form and return the same in original duly completed in the enclosed self-addressed, postage pre-paid envelope (if posted in India) so as to reach the Scrutinizer not later than the close of working hours i.e. 5.00 p.m. on Monday, 27th day of July 2015.

Members desiring to opt for e-voting as per facilities arranged by the Company are requested to read the notes to this notice and instructions overleaf the Form. References to Postal Ballot(s) in this notice include votes received electronically.

Upon completion of the scrutiny of the Forms, the Scrutinizer will submit his report to the Chairman/ Managing Director. The result of the postal ballot would be announced by a Managing Director of the Company on Monday, 3rd day of August 2015 at the registered office of the Company at 5 p.m. The aforesaid result would be displayed at the registered office of the Company, intimated to the Stock Exchanges where the shares of the Company are listed, published in the newspapers and displayed along with the Scrutinizer's report on the Company's website viz. www.diatron.in.

SPECIAL BUSINESS:

1. ADOPTION OF NEWLY SUBSTITUTED SET OF ARTICLES OF ASSOCIATION AS CONTAINING REGULATIONS IN LINE WITH COMPANIES ACT, 2013.

To Consider and if thought fit with our without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of Companies Act, 2013, (including any statutory modifications or re-enactment thereof, for the time being in force), and the rules framed there under, the Articles of Association of the Company be and are hereby altered by replacing all the existing articles with the new set of articles in consonance with the Companies Act, 2013.

FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, Shri Amit Bhatnagar (DIN 00775880) Managing Director or Shri Sumit Bhatnagar (DIN 00776129) Jt. Managing Director of the Company be and are hereby authorised, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid resolution along with filing of necessary E-form with the Registrar of Companies Gujarat."

2. TO CONSIDER TO ISSUE EQUITY WARRANTS ON PREFERENTIAL BASIS TO THE PROMOTERS OF THE COMPANY.

To Consider and if thought fit with our without modification(s) the following resolution as a Special Resolution:

"RESOLVED THAT Pursuant section 62 of the Companies Act, 2013 and all other applicable provisions, if any of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force and in accordance with the enabling provisions of the Memorandum and Articles of Association of the Company, the Security and Exchange Board of India (SEBI) (Issue of Capital and Disclosure Requirements) Regulations 2009 as Amended (ICDR Regulations) the SEBI (Substantial Acquisition of Shares and Takeover) Regulation, 2011, as Amended (the "Takeover Regulation") and any other Rules/ Regulations/ Guidelines if any prescribed by the SEBI, Reserve Bank of India, Stock Exchanges and/ or any other Statutory /Regulatory Authority, the Listing Agreement entered into by the Company with the Stock Exchanges where the Securities of the Company are listed and subject to the approval(s), if any, of the appropriate authorities, institutions, or bodies as may be required and subject to such other conditions as may prescribed by any of them while granting any such approval(s) and which may be agreed to by the Board of Directors of the Company (hereinafter refer to as "the Board" which terms shall deem to include any Committee which the Board may have constituted or hereinafter constitute to exercise its power including the powers conferred by the Resolutions) and in terms of furtherance to, the restructuring scheme approved by the Lenders of the Company under the Joint Lender Forum Mechanism (JLF Mechanism) the Board be and is hereby authorized to create, offer, issue and allot such number of warrants, convertible into equity shares of face value of Rs. 10/- each, fully paid up, at such price (including premium) being not less than the price determined in accordance with Chapter VII of SEBI ICDR Regulations, on a preferential basis, so that the total value of the number of shares so issued at a price determined in accordance with Chapter VII of SEBI ICDR Regulations aggregates to not more Rs. 66,14,00,000 (Rupees Sixty Six Crores and Fourteen Lacs Only) to Diamond Power Transmission Pvt. Ltd. and Diamond Projects Ltd., Promoter & Associate Companies.

RESOLVED FURTHER THAT

a) The Relevant Date, as per the SEBI ICDR Regulations for the determination of issue price of the Warrants to be allotted pursuant to the preferential allotment is fixed as 3rd July, 2015 i.e. 30 days prior to the date of declaration of result of postal ballot which is 3rd August, 2015, to approve the proposed preferential issue, in terms of the provisions of the Companies Act, 2013

b) The offer, issue and allotment of the aforesaid warrants shall be made at such time or times as the Board/Committee may in its absolute discretion decide.

c) The warrants, convertible into equity shares of face value of Rs. 10/- each, fully paid up, at such price (including premium) being not less than the price determined in accordance with Chapter VII of SEBI ICDR Regulations, on a preferential basis, so that the total value of the number of shares so issued at a price determined in accordance with Chapter VII of SEBI ICDR Regulations aggregates to not more Rs. 66,14,00,000 (Rupees Sixty Six Crores and Fourteen Lacs Only).

e) The warrants shall be convertible into Equity Shares of the Company at the discretion of the holders, without any further approval of the shareholders prior to or at the time of conversion.

f) The tenure of the Warrants shall not exceed 18 months from the date of its allotment.

g) The warrants by itself do not give to the holder thereof any rights of the shareholders of the Company.

h) The allotment of Warrants is proposed to be completed within a maximum period of 15 days from the date of passing of the resolution at Postal Ballot. In case the allotment on preferential basis is pending on account of pendency of any approval for such allotment by any regulatory authority including SEBI or Stock Exchanges where the shares of the Company are listed or the Central Government then the allotment shall be completed within 15 days from the date of receipt of such approval.

I) In the event of the company making a bonus issue of shares or marking rights issue of shares/ convertible debentures or any other securities or any other corporate restructuring or arrangement including merger/demerger/acquisitions, in whatever proportion prior to the exercise of the rights attached to the Warrants, the entitlement of the holders shall stand augmented in the same proportion in which the equity share capital of the company increases as a consequences of such bonus/rights issues/corporate restructuring and that the exercise price of the Warrants be adjusted accordingly, subject to such approvals as may be required.

j) The Equity Shares allotted, pursuant to conversion of Warrants allotted to Promoters & Associates will be subject to lock-in for a period of 3 years from the date of trading approval or as required under SEBI ICDR.

k) The Board be and is hereby authorized to decide and approve the other terms and conditions of the issue of the Warrants and also shall be entitled to vary, modify or alter any of the terms and conditions, including the size of the issue, as it may deem expedient.

l) The Board be and is hereby authorized to delegate all or any of the powers herein conferred by this resolution to any director or directors or to any committee of directors or any other officer or officers of the Company to give effect to the aforesaid resolution.

m) The Equity Shares allotted on conversion of Warrants in terms of this resolution shall rank *pari passu* in all respects including as to dividend with the existing fully paid Equity Shares of the face value of Rs.10/- each of the Company subject to the relevant provisions contained in Articles of Association, as amended, of the Company.

n) The Warrant holder(s) shall, on or before the date of allotment of Warrant, pay an amount equivalent to atleast 25% of the total consideration per Warrant.

o) The Warrant holder(s) shall, on or before the date of allotment of Equity Shares pursuant to the exercise of option against each such warrant, pay the balance 75% or any other amount, as may be remaining unpaid, of the consideration of warrant.

p) the amount so paid shall be non-interest bearing.

RESOLVED FURTHER THAT for giving effect to this Resolution, the Board be and is hereby authorized to do all such acts, deeds and things as the Board may, in its absolute discretion, consider necessary, expedient, usual, proper or incidental and to settle any question, remove any difficulty or doubt that may arise from time to time in relation to the offer, issue and allotment of the Warrants against the Unsecured loan of Promoters & Associates."

3. TO PROVIDE OPTION TO LENDERS TO CONVERT LOANS INTO EQUITY SHARES.

To Consider and if thought fit with our without modification(s) the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment thereof for the time being in force), and any modifications thereto, which the Board of Directors of Diamond Power Limited (**“the Company”**), (hereinafter referred to as **“the Board”**) which term shall be deemed to include any Committee thereof, be and is hereby authorized to accept, and the consent of the Company be and is hereby accorded to the Board for the allotment, on the terms and conditions contained in Master Restructuring Agreement (MRA), of such number of Equity Shares of the face value of Rs. 10/- (Rupees Ten) each to the Lender(s) which shall not exceed the amount of principal and interest outstanding as on the date of conversion, at a price determined as per the SEBI rules and regulations and the applicable provisions of the Companies Act, 2013 as amended from time to time.

The conversion by the Lender(s) shall be in accordance with the following conditions:

- i. On receipt of the Notice of Conversion, the Company shall issue and allot the requisite number of fully paid-up Equity Shares to the Lender(s) or such other person identified by the them as from the date of conversion and such Lender(s) shall accept the same in satisfaction of the loans of the lenders so converted, as envisaged under the Restructuring Scheme;
- ii. The part of the said loans so converted shall cease to carry interest from the date of conversion and the said loans shall stand accordingly reduced. Upon such conversion, the repayment instalments payable after the date of conversion as per the Restructuring Scheme shall stand reduced proportionately by the amounts of the said loan so converted or as decided by the Lender(s);
- iii. The Equity Shares so issued and allotted to the Lenders or such other person identified by the Lenders shall rank pari passu with the existing Equity Shares of the Company in all respects, *inter alia*, the dividends and other distributions declared or to be declared in respect of the equity capital of the Company. The Company shall, at all times, maintain sufficient un-issued equity share capital for the above purpose; and
- iv. In the event of exercising the aforesaid conversion right by the Lenders or such other person identified by the Lenders, the Company shall, at its cost, immediately apply to the stock exchanges where the shares of the Company are listed for the listing of the Equity Shares issued to the Lenders or such other person identified by the Lenders as a result of the conversion and for the said purpose the Company shall take all such steps as may be necessary to the satisfaction of the Lenders or such other persons identified by the Lenders.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot to the lenders such number of Equity Shares for conversion of the said portion of the Convertible Facilities, as may be desired by the Lenders.

RESOLVED FURTHER THAT the Board shall comply with the provisions of the Companies Act, 2013, SEBI and all other laws as applicable thereon including rules and other regulation framed thereunder.

RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary or expedient for giving effect to the above resolution.”

**By Order of the Board,
For Diamond Power Infrastructure Limited**

**Amit Bhatnagar
Managing Director**

**Date: 30th May, 2015
Place: Vadodara**

Notes:

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 setting out material facts is annexed hereto.
2. All documents referred to in this postal ballot notice and explanatory statement setting out material facts are open for inspection by the members at the Registered Office of the Company between 11.00 a.m. to 1.00 p.m. on all working days of the Company from the date hereof upto Monday, July 27, 2015.
3. The Board of Directors has appointed CS Devesh Pathak, a Company Secretary in Practice as Scrutinizer to scrutinize the postal ballot process in a fair and transparent manner.
4. The postal ballot notice is being sent to all the members, whose name appear in the Register of Members/ list of beneficial owners as received from Depositories i.e. National Securities Depository Ltd. (NSDL)/ Central Depository Services (India) Ltd. (CDSL) as on May 29, 2015.
5. In terms of Sections 108 and 110 and other applicable provisions of Companies Act, 2013 as amended, read with the Companies (Management and Administration) Rules, 2014 and in compliance with Clause 35B of the Listing Agreement, the Company is pleased to offer e-voting facility as an option to all the members of the Company. The Company has appointed Karvy Computershare Private Ltd. ("KCPL", "Karvy" or "Service Provider") for facilitating e-voting to enable the members to cast their votes electronically instead of dispatching postal ballot form. E-voting is optional.
In accordance with the provisions of Section 110 of the Companies Act, 2013 read with Rule 18 and 22 of the Companies (Management and Administration) Rules, 2014, the postal ballot notice is being sent by e-mail to those members who have registered their e-mail address with the Company (in respect of shares held in physical form) or with their depository participants (in respect of shares held in dematerialised form) and made available to the Company by the respective depositories. Members who have not registered their e-mail address will receive this postal ballot notice along with the postal ballot form through post/courier. Members who have received postal ballot notice by e-mail and who wish to vote through physical postal ballot form can download postal ballot form from the website of the Company www.diatron.in or <https://evoting.karvy.com> or seek duplicate postal ballot form from M/s Karvy Computershare Private Ltd. (Unit: Diamond Power Infrastructure Ltd.), Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500 032, fill in the details and send the same to the scrutinizer.
6. Kindly note that the members can opt for only one mode of voting i.e., either by physical postal ballot or e-voting. If the members opt for e-voting, then they should not vote by physical postal ballot and vice versa. However, in case members cast their vote both via physical postal ballot and e-voting, then voting done through e-voting shall prevail and vote cast through physical postal ballot will be treated as invalid.
7. If the members are voting through postal ballot form in physical mode, members are requested to carefully read the instructions printed on the postal ballot form sent herewith and return the form duly completed along with assent (FOR) or dissent (AGAINST), in the attached self-addressed pre-paid postage business reply envelope so as to reach the scrutinizer on or before the close of working hours i.e. 5.00 pm on Monday, July 27th, 2015. The postage cost will be borne by the company. However envelopes containing postal ballot forms, if sent by courier or registered /Speed Post or delivered by the member in person at his expense at the address as mentioned in the business reply envelope will also be accepted. Assent/Dissent received after 5.00 P.M. on Monday, 27th July, 2015 would be strictly treated as if reply from the Member(S) has not been received. No other form or photocopy thereof is permitted.

The instructions and other information relating to e-voting are as under:

1. A. In case of member receiving an e-mail from KCPL (for members whose e-mail id are registered with the company/ depository participant(s) :

- a) Launch internet browser by typing the URL <https://evoting.karvy.com>.
- b) Enter the login credentials (i.e. user-id & password) mentioned in postal ballot form. Your folio no./ DP ID - client ID will be your user-id. However, if you are already registered with KCPL for e-voting, you can use your existing user id and password for casting your vote.
- c) After entering these details appropriately, click on "LOGIN".
- d) You will now reach password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum eight characters with at least one upper case (A-Z), one lower case (az), one numeric value (0-9) and a special character (@, # , \$ etc.). The system will prompt you to change your password and update your contact details like mobile no., email id etc. on 1st login. You may also enter the 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.
- e) You need to login again with the new credentials.
- f) On successful login, the system will prompt to select the 'Event' i.e. Diamond Power Infrastructure Ltd.
- g) On the voting page, enter the number of shares (which represents the number of votes) as on the cutoff date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as mentioned hereinabove. You may also choose the option "ABSTAIN". If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- h) Shareholders holding multiple folios/ demat accounts shall choose the voting process separately for each folios/ demat accounts.
- i) Voting has to be done for each item of the postal ballot notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as "ABSTAIN".
- j) You may then cast your vote by selecting an appropriate option and click on "SUBMIT".
- k) A confirmation box will be displayed. Click "OK" to confirm, else "CANCEL" to modify. Once you "CONFIRM", you will not be allowed to modify or change your votes cast. During the voting period, members can login any number of times till they have voted on all the resolution(s).
- l) Corporate/ institutional members (i.e. other than individuals, HUFs, NRIs 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 authorised representative(s), to the scrutinizer at e-mail id maildeveshpathak@rediffmail.com with copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "Diamond Power Infrastructure Limited _ EVENT No."

B. In case of members receiving postal ballot form [for members whose e-mail ids are not registered with the company/ depository participant(s);

- a) User ID and initial password as provided above
- b) Please follow all steps from sr. no. a) to l) as mentioned in A above, to cast your vote.
2. The e-voting period commences on Saturday, June 27th, 2015 at 10.00 A.M (Actual commencement from Monday, July 29th, 2015 as 27th and 28th July is being holiday) and ends on Monday, July 27th, 2015 at 5.00 P.M. The e-voting module shall be disabled for voting thereafter. During this period, the members of the company holding shares in physical form or dematerialized form, as on cut-off date(record date), being Friday, May 29, 2015, may cast their vote by electronic means in the manner and process set out hereinabove. Once the vote on a resolution(s) is cast by the member, the member shall not allowed to change it subsequently.
3. The voting rights of the members shall be in proportion to their shares in the total paid-up equity share capital of the company subject to the provisions of the Companies Act, 2013, as amended, as on Friday, May 29, 2015.

4. In case of any query pertaining to e-voting, please visit HELP & FAQs section of <https://evoting.karvy.com> (Karvy's website) or any grievances or queries of the members of the company connected with the electronic voting can be addressed to the Company's Registrar and Share Transfer Agents, Karvy Computershare Private Ltd., Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500 032 or contact person ; Ms. C. Shobha Anand, Asst. General Manager or Mr. U.S. Singh, Manager at einward.ris@karvy.com or at telephone No. 040 - 6716 1565 or may write to the company to the company secretary at the corporate office of the Company situated at 5/10, Essen House, BIDD, Gorwa, Vadodara 390 016.

5. The scrutinizer will submit the results to the chairman after the completion of the scrutiny of the postal ballot forms and evoting, and the results of the voting, and the results of the voting by postal ballot will be announced on or before Monday, August 3rd, 2015 at the registered office of the company.

6. The results declared along with the scrutinizer's report(s) will be available on the website of the company (www.diatron.in) and on KCPL's website (<https://evoting.karvy.com>) and shall be communicated to National Stock Exchange of India Ltd. and BSE Ltd. In the event, the draft resolutions are assented to by the requisite majority of members by means of postal ballot, the date of declaration of result shall be deemed to be the date of passing of the said resolutions.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO.1

The Articles of Association (AOA) of the Company as presently in force are based on the Companies Act, 1956 and several regulations in the said existing AOA contain reference to specific sections of the Companies Act, 1956 some of which are no longer in existence and also not in conformity with the Companies Act, 2013, which is now largely in force.

The Existing regulations of the Articles of Association are replaced by the entire new set of articles and adopted the same as new set of Articles of Association of the Company. The modification in the Articles of Association is carried out to give effect to the provisions of the Companies Act, 2013 with the consent of the shareholders by passing a Special Resolution.

The new set of Articles are available for inspection at the Corporate Office of the Company during business hours between 11.00 am to 1.00 pm except on public holidays and Sunday and the same is also available on the website of the Company i.e. www.diatron.in.

None of the Directors / Key Managerial Personnel of the Company is in any way, concerned or interested, directly or indirectly, financially or otherwise, in the Special Resolution set out in item no.1 of the Notice.

Your Board recommends the Resolution at Item no. 1 for your approval as Special resolution.

ITEM NO.2

In terms of the Restructuring Scheme approved under JLF Mechanism, the promoters are required to contribute Rs. 41.14 Crores, being 25% of lenders sacrifice, upfront at the time of implementation of package and infusion to Rs. 25 Crores towards contribution in proportion to the disbursement of additional term loan of Expansion Project in Financial year 2015-16, aggregating to Rs. 66.14 Crores. The Promoters & Associates, so far, have already contributed Rs. 41.15 Crores towards the same.

The Board of Directors at their meeting held on 30th May, 2015, subject to the approval of Members and other statutory approval, if any, approved the proposal of infusion of fund as unsecured loan and conversion of such loan by way of issue of Warrants, convertible into Equity Shares of the Company ranking *pari passu*, on preferential basis to the promoters & Associates in consideration of promoters contribution, as per JLF Restructuring Scheme.

Thus, in line of the above, the Company proposes to increase its capital base by way of infusion of further capital. The Board of Directors of the Company (hereinafter called the "Board" which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers) has proposed to allot, equity warrants, convertible into Equity Shares of Rs. 10 each (including premium) ranking *pari passu* with existing Equity Shares of the Company, in consideration of promoters contribution, being not less than the price determined in accordance with Chapter VII of SEBI ICDR Regulations, on a preferential basis, so that the total value of the number of shares so issued at a price determined in accordance with Chapter VII of SEBI ICDR Regulations aggregates to not more Rs. 66,14,00,000 (Rupees Sixty Six Crores and Fourteen Laacs Only).

It may be noted that in terms of Chapter VII of the SEBI ICDR Regulations, it is necessary to disclose the details of investor along with certain other terms to the shareholders while seeking their approval for issuing the warrants on preferential basis. Hence, the requisite approval of the shareholders is being sought in terms of the provisions of Companies Act, 2013, and the SEBI ICDR Regulations. The relevant disclosures/details of the proposed issue are given below:

Objects of the preferential issue:

As per the restructuring Scheme approved by the Lenders under JLF mechanism, the promoters are required to infuse Rs. 66.14 Crores in the form of Equity Share Capital to support restructuring scheme, subject to the regulatory requirements. Out of total promoter contribution of Rs. 66.14 Cr, Rs. 44.14 Cr is required to infuse upfront at the time of implementation of the restructuring scheme either bilaterally or jointly. In view of the same, the promoters have already infused Rs. 41.15 Cr in the Company in form of unsecured loans pending regulatory compliances for issuance of equity/warrants. Further, as per the restructuring scheme, Rs. 25 Cr is required to be infused by the promoters in the Company towards their share in the expansion project. However, the infusion of Rs. 25 Crore by the promoters shall be later in proportion to disbursements of additional term loans towards expansion project.

The intention of the Promoters/Directors/key Management Personnel to subscribe to the offer:

Promoters are intended to infuse fund to satisfy conditions stipulated under restructuring scheme approved through JLF mechanism and accordingly the fund so infused by the promoters and their associates shall be converted into warrants and later into equity shares.

Relevant Date:

The Relevant Date as per the Regulations for the determination of issue price of the warrants pursuant to the aforesaid preferential allotment is fixed as 3rd July, 2015 i.e. 30 days prior to the date of declaration of result of postal ballot which is 3rd August, 2015, to approve the proposed preferential issue, in terms of the provisions of the Act.

Pricing of Preferential Issue:

The equity shares will be allotted in accordance with the price determined in terms of Regulation 76 of ICD Regulations.

Since the Company is listed on both BSE Limited and National Stock Exchange of India Limited, the trading volume of securities of the Company on both the stock exchanges will be considered to determine the highest trading volume for computation of issue price.

As required under the Regulations, in case the warrant holder does not exercise the option to take equity shares against any of the warrant held by him, the consideration paid in respect of such warrant in terms of sub-regulation (2) shall be forfeited by the issuer.

Identity of the proposed allottees:

Identity of Proposed allottees	Category	Pre-issue Holding	No. of Equity Shares to be allotted*	Issue price per Equity Shares*	Post Issue holding*
Diamond Power Transmission Pvt. Ltd.	Promoter Group	Nil	5421311	61	5421311
Diamond Projects Ltd.	Promoter Group	1868673	5421311	61	7289984

*The number of shares to be allotted is calculated on the basis of issue price determined taking tentative relevant date as 30th May, 2015 in terms of pricing formula of Chapter VII of SEBI ICD Regulations and the same was considered only for the purpose of disclosing the pre & post issue shareholding pattern. However, the shareholding pattern and the issue price on the basis of actual relevant date i.e. 3rd July, 2015 may vary and accordingly number of shares to be allotted may increase or decrease subject to the condition that total issue size will not exceed Rs. 66.14 Crores.

Shareholding pattern pre and post preferential offer:

The shareholding pattern of the Company pre and post the preferential allotment, as also based on the fully diluted capital of the Company considering the issue and conversion of warrants into Equity Shares under the proposed preferential issue, is given below:

Category of Shareholder	Pre Issue (as on 30 th May, 2015)		Post issue (After Allotment)	
	No. of Shares held	% of Shareholding	No. of Shares held	% of Shareholding
A. Promoters' Shareholding				
Promoters	5483393	10.15	5483393	8.46
Promoters Group	13261955	24.56	24104577	37.17
Sub-total (A)	18745348	34.71	29587970	45.63
B. Public Shareholding				
i. Institutional Investor				
Mutual Fund	0	0	0	0.00
Financial Institution/ Bank	99991	0.19	99991	0.15
Foreign Institutional Investor	4485901	8.31	4485901	6.92
ii. Non-Institutional Investor				

Bodies Corporate	6907209	12.79	6907209	10.65
Residential Individual / HUF	13474991	24.95	13474991	20.78
NRIs	1087923	2.01	1087923	1.68
Foreign Corporate Bodies	2084382	3.86	2084382	3.21
Qualified Foreign Investor	0	0	0	0.00
Others	7114750	13.18	7114750	10.97
Sub – total (B)	35255147	65.29	35255147	54.37
Total (A+B)	54000495	100.00	64843117	100.00

*The number of shares to be allotted is calculated on the basis of issue price determined taking tentative relevant date as 30th May, 2015 in terms of pricing formula of Chapter VII of SEBI ICD Regulations and the same was considered only for the purpose of disclosing the pre & post issue shareholding pattern. However, the shareholding pattern and the issue price on the basis of actual relevant date i.e, 3rd July, 2015 may vary and accordingly number of shares to be allotted may increase or decrease subject to the condition that total issue size will not exceed Rs. 66.14 Crores.

Proposed time within which the allotment shall be completed:

As required under the SEBI (ICDR) Regulations, the Company shall complete the allotment of equity shares as aforesaid on or before the expiry of 15 days from the date of passing of the special resolution by the shareholders granting consent for preferential issue or in the event allotment of equity shares would require any approval(s) from any regulatory authority including SEBI or the Central Government, within 15 (fifteen) days from the date of such approval(s), as the case may be.

Change in control:

There shall be no change in management or control of the Company pursuant to the issue of equity shares.

Auditor's certificate:

Since the price at which the Equity Shares would be issued proposed investors cannot be exactly determined before the issue of this notice to the shareholders as it depends on the average of the market price prevailing in the preceding 6 months or 2 weeks as per the SEBI formula, the Auditor's certificate, as required under Clause 73(2) of Regulations will be made available for inspection at the Registered Office of the Company between 10 a.m. and 4 p.m. on any working day starting from 15th July, 2015 upto the last date for voting under postal ballot.

Lock in period

The proposed allotment shall be subject to lock-in as per requirements of SEBI Regulations.

The Company hereby undertakes that:

- It would re-compute the price of the Securities specified above in terms of the provisions of the SEBI (ICDR) Regulations, 2009 where it is required to do so.
- If the amount payable on account of re-computation of price is not paid within the time stipulated in the SEBI (ICDR) Regulations, 2009, the above specified securities shall continue to be locked in till the time such amount is paid by allottees.

None of the Directors / Key Managerial Personnel of the Company, except promoter directors namely Shri Amit Bhatnagar, Managing Director and Shri Sumit Bhatnagar, Jt. Managing Director, is in any way, concerned or interested, financially or otherwise, in the Special Resolution set out in item No.2 of the Notice.

Your Board recommends the Resolution at Item no. 2 for your approval as Special resolution.

ITEM NO. 3

The operations of existing units are being carried out smoothly albeit at low capacity utilization due to liquidity constraints. The Company is implementing an project to expand its present conductor manufacturing capacity from existing 50,500 MTPA to 1,50,500 MTPA, medium voltage cables with a cumulative capacity of 7,500 KMPA (3 lines of 2,500 KMPA each), ancillary unit and wind mill at its existing location in Vadadala village, Savli, Vadodara.

The present cash flow mismatch has cumulative impact of certain external factors combined with other economic factors such as slowdown in economy, increase in price of key raw material, lack of adequate working capital, elongated working capital cycle, delay in receipt of payment, slow moving stock, loss due to penalty on account of delayed delivery, loss of goods due to flood, etc. The rising cost of finance and execution delays have resulted in transmission & distribution projects not being taking off as expected, translating to slower demand growth for conductors and cables. Further, delay in implementation of the Expansion Project has also contributed significantly towards the current stressed position of the Company.

In line of the above and to re-align debt, the Company approached to its lenders for restructuring scheme through Joint Lenders Forum ("JLF"). The Lenders of the Company approved the restructuring scheme under the Joint Lend Forum mechanism said JLF approved the said scheme in their meeting held on 11th March, 2015 and subsequently Independent Evaluation Committee (IEC) at their meeting held on April 27, 2015 also consented for the scheme. However, the Lenders under the JLF mechanism said JLF agreed on the restructuring scheme subject to certain conditions out of which two of the conditions are as under:

" 28. In the event of default, Lenders shall have a right to convert entire/part of defaulted interest and entire/part of defaulted principal into equity as per SEBI pricing formula. However, in the case of those Lenders who already have default conversion rights, the same would be governed by existing loan covenants. The company/promoters shall take necessary steps and obtain all requisite/necessary/statutory/other approvals for such allotment of equity shares or a part of it in terms of their existing loan agreements.

29. (a) Lenders shall have a right to convert into equity upto 20% of the term debt outstanding beyond seven years as per SEBI guidelines/loan covenants whichever is applicable.

(b) As regards WCTL and FITL, the conversion option would be available at any time during the restructuring period.

In the event the lenders or any of the lenders exercises its right to sell the shares issued in terms of the conversion clause as (a) or (b) above, the first right of refusal to buy back the shares would be offered to the promoters."

Thus in line of the above conditions and as per scheme, JLF insisted to pass resolution, set out in Item No. 3, which enables lenders to convert their defaulted outstanding principal and/or interest into Equity Shares in future.

None of the Directors / Key Managerial Personnel of the Company is in any way, concerned or interested, financially or otherwise, in the Special Resolution set out in item no. 3 of the Notice.

Your Board recommends the Resolution at Item no. 3 for your approval as Special resolution.

**By Order of the Board,
For Diamond Power Infrastructure Limited**

**Amit Bhatnagar
Managing Director**

Date: 30th May, 2015

Place: Vadodara

DIAMOND POWER INFRASTRUCTURE LIMITED

CIN No. L31300GJ1992PLC018198

REGD. OFFICE: PHASE-II, VILLAGE-VADADALA, TA.SAVLI,

DIST.: VADODARA – 391 520, GUJARAT, INDIA

Email: cs@dicabs.com, website: www.diatron.in

Contact No. 02667 – 251516 Fax – 02667- 251202

POSTAL BALLOT FORM

(Please read the instruction printed overleaf carefully before completing the form)

Serial No.:

Name & Registered Address of the :
Sole/First Shareholder

Name(s) of the Joint Shareholder (s), :
if any
Folio No./DP ID No./ Client ID No. :
Number of Share(s) held :

I/We hereby exercise my/our votes in respect of the following resolution (s) to be passed through postal ballot for the businesses set out in the postal ballot notice dated Saturday, 30th May, 2015, by sending my/our assent (FOR) or dissent (AGAINST) to the said resolution (s) by placing the tick (✓) mark at the appropriate box below (tick in both boxes will render the ballot invalid).

Sr. No.	Description	No. of Equity Shares for which votes Cast	I/We assent to the Resolution (FOR)	I/We dissent to the Resolution. (AGAINST)
1	Adoption of newly substituted set of Articles of Association as containing regulations In line with Companies Act,2013.			
2	To consider to issue equity warrants on preferential basis to the promoters of the company.			
3	To provide option to lenders to convert loans into Equity Shares.			

Place:

Date:

(Signature of the Member)

ELECTRONIC VOTING PARTICULARS

Even (E-Voting Event Number)	User ID	Password

(Last date for receipt of postal ballot form by scrutinizer is 27th July, 2015, before the close of the working hours i.e. 5.00 p.m.)

Note: please read the instruction printed overleaf and in the Notes to the postal ballot notice dated 30th May, 2015 carefully before exercising your vote.

INSTRUCTION FOR FILLING POSTAL BALLOT FORM

- i) A member desiring to exercise vote by postal ballot may complete this postal ballot form and send it to the Scrutinizer in the attached self-addressed pre-paid postage business reply envelope. Postage charges will be borne and paid by the Company. However, envelopes containing postal ballot form(s), if deposited in person or sent by courier or registered/ speed post at the expense of the member will also be accepted.
- ii) The consent must be accorded by recording the assent in the column "FOR" and dissent in the column "AGAINST" by placing a tick (✓) mark in appropriate column.
- iii) The postal ballot form should be completed and signed by members. In case of joint holding, postal ballot form should be completed and signed by the first name member and in his /her absence, by the next named member.
- iv) The signature of the member on this postal ballot form should be as per the specimen signature furnished by National Securities Depository Limited (NSDL)/Central Depository Services Limited (CDSL) or registered with the Company, in respect of shares held in dematerialized form or in physical form, respectively.
- v) A member can request for duplicate postal ballot form. However duly completed postal ballot form should reach the Scrutinizer at the address mentioned below not later than 5.00 P.M. on Monday, July 27, 2015. All postal ballot forms received after this date will be strictly treated as if reply from such member(s) has not been received.

CS Devesh Pathak,
Scrutinizer for Diamond Power Infrastructure Ltd.
204/205, Garden View Complex,
Near Kala Ghoda Circle,
Vadodara – 390 020,
Gujarat.

- vi) There will be only one postal ballot form for every folio irrespective of the number of joint holder(s). Postal ballot cannot be exercised by a proxy.
- vii) In case of Shares held by companies, trusts, societies etc., the duly completed postal ballot form should be accompanied by the relevant board resolution/authority letter duly certified /attested by authorized signatory (ies).
- viii) Members are requested not to send any other paper along with the postal ballot form in the enclosed self – addressed pre-paid postage business reply envelope, as all such envelopes will be sent to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer and the company would not be liable to acknowledge or act on the same.
- ix) A member need not use all the votes or cast all the votes in the same way. The voting rights of the members shall be in proportion to their shares in the total paid-up equity share capital of the company subject to the Companies Act, 2013 as amended as on Friday, May 29, 2015.
- x) Incomplete, unsigned or incorrect postal ballot forms will be rejected. The Scrutinizer's decision on a validity of a postal ballot form will be final and binding.
- xi) Members are requested to fill the postal ballot form in indelible ink and avoid filling it by using erasable medium(s) like pencil.
- xii) The company is also offering e-voting facility as an alternate, for all its members to enable them to cast their votes electronically instead of using postal ballot form. The detailed procedure for e-voting has been enumerated in the notes to the postal ballot notice dated 30th May, 2015. A member can exercise either of the two options. In case a member exercises both the option then the votes cast through e-voting shall prevail.
- xiii) The results of the postal ballot shall be declared on or before Monday, August 3rd, 2015. The said date of declaration of results of the postal ballot shall be the date on which the said resolutions would be deemed to have been passed, if approved by the requisite majority as mandate under the relevant provisions of the Companies Act, 2013 and rules made there under.