

Important communication and needs your attention

NOTICE TO BONUS DEBENTUREHOLDERS

DISA INDIA LIMITED

Regd. Office: 4th Floor, Prestige Takt, 23, Kasturba Road Cross, Bangalore-560 001
E-mail : investor.relations@disagroup.com Phone : +91 80 22109381/82 Fax : +91 80 22109570

August 23, 2007

Dear Debentureholder(s)

Re: Redemption of Bonus Debentures

We would like to draw your kind attention to our communication dated 18th November 2006 enclosing therewith the Debenture Certificates in respect of the Bonus Debentures allotted to you.

As per the terms and conditions of the issue of said Debentures, the tenure of the Debentures is 12 months. As the debentures were allotted on 5 October 2006, the period of twelve months expire on 4 October 2007, you are requested to fill in the form for redemption attached herein. Please read the instructions given on the reverse of the Form carefully before filing up the said form.

The Debentureholders are requested to submit the duly discharged Debenture Certificates along with relevant form for non-deduction of tax / lower deduction of tax, in case applicable, **on or before the close of office hours on 25th September 2007.**

The Debentureholders are requested to avail ECS facility by giving correct and complete details of their Bank Account in the application for redemption. Please make sure that you forward these details to us before **25th September 2007** if you opt for ECS facility.

The redemption proceeds will be paid before 10th October 2007. The Debenture Certificates stand cancelled once the redemption amounts are paid to the respective Debentureholders.

Please note that the payment of interest along with the redemption proceeds would attract provisions of the Income-tax Act, 1961 ('the Act'), relating to deduction of tax at source. Sections 197A(1A) and 197A(1C) read with section 193 of the Act provide that no tax needs to be deducted in cases where the recipient, *inter alia*, furnishes declaration in Form 15-G/ 15-H, if and as applicable.

For the convenience of Debentureholders, blank Form 15-G [i.e. declaration under section 197A(1A) read with section 193 of the Act to be made by an individual or a person resident in India (not being a company or a firm) claiming certain receipts without deduction of tax at source] is being enclosed in duplicate. Please note that in terms of Section 197A (1B) of the Act, Form 15G will not be accepted for the purpose of exemption of TDS in case the interest credited or paid exceeds the maximum amount which is not chargeable to tax.

However, Form 15-H [i.e. declaration under section 197A(1C) read with section 193 of the Act to be made by a resident individual who is of the age of 65 years or above claiming certain receipts without deduction of tax at source] can be submitted for non-deduction of tax at source by senior citizens along with an age proof / declaration, even if the interest credited or paid exceeds the maximum amount, which is not chargeable to tax. For your convenience, blank Form 15-H is also enclosed herewith in duplicate.

You are also requested to furnish your Permanent Account Number (PAN) for printing on the TDS Certificate as required under the provisions of Section 139A(5A) of the Act.

Thanking you,

Yours faithfully,

S MOHAN
Compliance Officer

Encl: As above

FORM NO. 15H

[See rule 29C(1A)]

**DECLARATION UNDER SUB-SECTIONS (1C) OF SECTION 197A OF THE INCOME-TAX ACT, 1961,
TO BE MADE BY AN INDIVIDUAL WHO IS OF THE AGE OF SIXTY-FIVE YEARS OR MORE
CLAIMING CERTAIN RECEIPTS WITHOUT DEDUCTION OF TAX**

I/We*son / daughter / wife of
..... resident of..... @ do hereby declare

1. *that the shares/securities/sums, particulars of which are given in the Schedule below, stand in my name and are beneficially owned by me, and the dividend/interest in respect of such *securities/sums and/or income in respect of units is/are not includible in the total income of any other person under sections 60 to 64 of the Income-tax Act, 1961;

Or

*that the particulars of my account under the National Savings Scheme and the amount of withdrawal are as per the Schedule below:

SCHEDULE

Description and details of investment	Amount invested	Date of *investment/opening of account	Estimated income to be received

- 2. that my present occupation is _____;
- 3. that I am of the age of _____ years and am entitled to a deduction from the amount of income-tax on my total income referred to in section 88B;
- 4. that the tax on my estimated total income, including *income/incomes referred to in the Schedule below computed in accordance with the provisions of the Income-tax Act, 1961, for the previous year ending on relevant to the assessment year _____ will be nil;
- 5. that I have not been assessed to income-tax at any time in the past but I fall within the jurisdiction of the Chief Commissioner of Income-tax _____ or Commissioner of Income-tax

Or

that I was last assessed to income-tax for the assessment year _____ by the Assessing Officer _____ Circle/Ward and the Permanent Account Number allotted to me is _____;

- 6. that I *am/am not resident in India within the meaning of section 6 of the Income-tax Act, 1961;

.....
Signature of the declarant

VERIFICATION

I..... do hereby declare that to the best of my knowledge and belief what is stated above is correct, complete and is truly stated.

Verified today, the day of

Place:

.....
Signature of the declarant

Notes:

- 1. @ Give complete postal address.
- 2. The declaration should be furnished in duplicate.
- 3. *Delete whichever is not applicable.
- 4. Before signing the verification, the declarant should satisfy himself that the information furnished in the declaration is true, correct and complete in all respects. Any person making a false statement in the declaration shall be liable to prosecution under section 277 of the Income-tax Act, 1961, and on conviction be punishable-
 - (i) in a case where tax sought to be evaded exceeds one lakh rupees, with rigorous imprisonment which shall not be less than six months but which may extend to seven years and with fine;
 - (ii) in any other case, with rigorous imprisonment which shall not be less than three months but which may extend to three years and with fine.

PART II

(FOR USE BY THE PERSON TO WHOM THE DECLARATIONS IS FURNISHED]

1. Name and address of the person responsible for paying the income, mentioned in paragraph 1 of the declaration
2. Date on which the declaration was furnished by the declarant
3. Date of *declaration, distribution or payment of dividend/withdrawal from account number under the National Savings Scheme
4. Period in respect of which *dividend has been declared/interest is being credited or paid/income in respect of units is being credited or paid
5. Amount of *dividend/interest or income in respect of units/withdrawal from National Savings Scheme Account
6. *Rate at which interest or income in respect of units, as the case may be, is credited/paid Forwarded to the Chief Commissioner or Commissioner of Income-tax,

Place:

Date:

.....
Signature of the person responsible for
paying the income referred to in Paragraph 1

DISA INDIA LIMITED - BONUS DEBENTURES
Application for Bonus Debentures Redemption

Alpha Systems Private Limited
 Regd off: 30, Ramana Residency,
 4th cross, Sampige road,
 Malleswaram,
 BANGALORE - 560 003

Date:

For Office Use
Date of Receipt :

Inward No.

Folio No. _____
 (Use Separate form for each folio)

Dear Sir(s),

Re: DISA India Limited - Bonus Debentures Redemption

1. With reference to letter dated August 23, 2007 of DISA India Limited, I/we registered holder(s) hereby surrender the following Bonus Debenture Certificate(s), in original :

SI. No.	Name of Debenture Holder	Certificate No(s)	Distinctive No(s)	No. of Debentures	No. of Certificates

2. Please arrange to redeem the Bonus Debenture(s) as per the terms of issue.
 3. I/We shall have no claim hereafter against DISA India Limited in respect of the redeemed Bonus Debentures.
 4. I/We are enclosing / not enclosing the declaration in Form 15G/Form 15H
 5. I/ We furnish below the bank account particulars of the Sole/First Debentureholders. Please also note the change of address given below :

Bank Details	Change of address (to be filled only in case of change)
Type of Account
Account No.
Bank Name	PIN
Branch	Tel. No.

6. Permanent Account Number (PAN) of First / Sole Holder is _____

Yours faithfully,

 1.
 Signature(s) First
 Debentureholder(s)

 2.
 Signature(s) Second
 Debentureholder(s)

 3.
 Signature(s) Third
 Debentureholder(s)

INSTRUCTIONS

1. The application for redemption must be accompanied by the duly discharged original Bonus Debenture Certificate(s).
2. Debenture Certificate(s) should be discharged by signing on the reverse by affixing Re. 1/- revenue stamp. In case of two or more holders, all Debentureholders are required to discharge the Debenture Certificate(s). No additional revenue stamp is required in this case. In case of discharge by thumb impression, the same should be attested by any of the persons(s) indicated in Item No. 8 hereunder.
3. Form 15-G/ 15-H must be attached in duplicate, along with the application in case of non-deduction/lower deduction of tax at source.
4. Separate application form should be used for each folio.
5. Bank Account details /Changes in Bank details i.e name of the Bank, branch, account number etc. should be furnished along with the application. This is to safeguard the interest of the Debentureholders.
6. Change of Address, if any, should be advised correctly in the Application Form for redemption.
7. In case of minor, the discharge should be given by the guardian whose particulars should tally with original records.
8. In case of change of marital status, attaining age of majority, same should be notified together with necessary proof and specimen signature duly attested by a Judicial Magistrate or Notary Public or Gazetted Officer of Public Sector Bank Officer under his stamp and signature and deposited with the Registrar / Company.
9. In case of change of Guardian, particulars should be furnished to Registrar / Company with adequate proof along with specimen signature of present guardian attested in the manner stated in item No.8.
10. In case the Debentureholder is a donee under a gift, the Debenture is required to be discharged by the donee whose signature shall be attested in the manner stated in item No. 8.
11. In case the donee is a minor, proof of guardianship and guardian's specimen signature duly attested (as stated in item No. 8) should be submitted and the guardian of the donee should discharge the Debenture Certificate.
12. The Debentureholders must furnish their Permanent Account Number (PAN) for printing on the TDS Certificate as required under the provisions of Section 139A(5A) of the Income Tax Act, 1961.
13. In case of Debentureholder who has not got the Debenture Certificate registered in his /her name, the Debenture certificate should be surrendered along with the Nomination and Mandate form, duly signed by both the transferor and transferee.
14. In case of death of sole Debentureholder, the executors or administrators of the deceased holder of a Debenture (Whether a Hindu, Mohammedan, Parsi or otherwise) or the holder of a succession certificate issued under Part X of the Indian Succession Act, 1925, in respect of the Debenture, shall be the only person(s) who may be recognized by DISA India Limited as having any title to the Debenture.

Note: In case Signature(s) do not tally with those on record, the entire set of documents will be returned to the Debentureholder by the registered post at their sole risk.

DISA INDIA LIMITED - BONUS DEBENTURES REDEMPTION

ACKNOWLEDGEMENT SLIP

Received from Mr./Ms. _____ No. of Debentures _____

Certificate No. _____

Bearing folio No. _____ for redemption.

Date _____

For Alpha Systems Pvt. Ltd.

FORM NO. 15G

[See rule 29C]

DECLARATION UNDER SUB-SECTIONS (1) AND (1A) OF SECTION 197A OF THE INCOME-TAX ACT, 1961, TO BE MADE BY AN INDIVIDUAL OR A PERSON (NOT BEING A COMPANY OR A FIRM) CLAIMING CERTAIN RECEIPTS WITHOUT DEDUCTION OF TAX

I/We**son / daughter / wife of
 resident of.....
 @ do hereby declare

1. *that I am a shareholder in..... (name and address of the company) and the shares in the said company, particulars of which are given in Schedule I below, stand in my name and are beneficially owned by me, and the dividends therefrom are not includible in the total income of any other person under sections 60 to 64 of the Income-tax Act, 1961;
 Or
 *#that the securities or sums, particulars of which are given in Schedule II or Schedule III or Schedule IV below, stand in *my/our name and beneficially belong to *me/us, and the *interest in respect of such securities or sums and/or income in respect of units is/are not includible in the total income of any other person under sections 60 to 64 of the Income-tax Act, 1961;
 Or
 *that the particulars of my account under the National Savings Scheme and the amount of withdrawal are as per the Schedule V below;
2. that *my/our present occupation is;
3. that the tax on *my/our estimated total income, including—*the dividends from shares referred to in Schedule I below;
 and/or
 *#interest on securities, interest other than "interest on securities" and/or income in respect of units, referred to in Schedule II, Schedule III and/or Schedule IV below;
 and/or
 *the amount referred to in clause (a) of sub-section (2) of section 80CCA, mentioned in Schedule V below, computed in accordance with the provisions of the Income-tax Act, 1961, for the previous year ending on relevant to the assessment year..... will be nil;
4. that *my/our income from *dividend/interest on securities/interest other than "interest on securities"/units/amounts referred to in clause (a) of sub-section (2) of section 80CCA or the aggregate of such incomes, computed in accordance with the provisions of the Income-tax Act, 1961, for the previous year ending on relevant to the assessment year 2020will not exceed the maximum amount which is not chargeable to income-tax;
5. that *I/we have not been assessed to income-tax at any time in the past but I fall within the jurisdiction of the Chief Commissioner or Commissioner of Income-tax.....
 Or
 that *I was/we were last assessed to income-tax for the assessment year.....by the Assessing Officer Circle/Ward/District and the permanent account number allotted to me is
6. that I *am/am not resident in India within the meaning of section 6 of the Income-tax Act, 1961;
7. Particulars of the *shares of the company/securities/sums/account under the National Savings Scheme and the amount of withdrawal referred to in paragraph 1 above, in respect of which the declaration is being made, are as under:

SCHEDULE I

No. of Shares	Class of shares and face value of each share	Total face value of shares	Distinctive numbers of the shares	Date(s) on which the shares were acquired by the declarant

SCHEDULE II

Description of securities	No. of securities	Date(s) of securities	Amount of securities	Date(s) on which the securities were acquired by the declarant

SCHEDULE III

Name and address of the person to whom the sums are given on interest	Amount of such sums	Date on which sums were given on interest	Period for which such sums were given on interest	Ratio of interest

SCHEDULE IV

Name and address of the Mutual Fund	Number of units	Class of units and face value of each unit	Distinctive number of units	Income in respect of units

SCHEDULE V

Particulars of the Post Office where the account under the National Savings Scheme is maintained and the account number	Date on which the account was opened	The amount of withdrawal from the account

.....
** Signature of the declarant

VERIFICATION

*I/We do hereby declare that to the best of *my/our knowledge and belief what is stated above is correct, complete and is truly stated.

Verified today, the day of

Place:

.....
Signature of the declarant

Notes:

1. @ Give complete postal address.
2. The declaration should be furnished in duplicate.
3. *Delete whichever is not applicable.
4. #Declaration in respect of these payments can be furnished by a person (not being a company or a firm).
5. **Indicate the capacity in which the declaration is furnished on behalf of a Hindu undivided family, association of persons, etc.
6. Before signing the verification, the declarant should satisfy himself that the information furnished in the declaration is true, correct and complete in all respects. Any person making a false statement in the declaration shall be liable to prosecution under section 277 of the Income-tax Act, 1961, and on conviction be punishable—
 - (i) in a case where tax sought to be evaded exceeds one lakh rupees, with rigorous imprisonment which shall not be less than six months but which may extend to seven years and with fine;
 - (ii) in any other case, with rigorous imprisonment which shall not be less than three months but which may extend to three years and with fine.

PART II

(FOR USE BY THE PERSON TO WHOM THE DECLARATION IS FURNISHED)

1. Name and address of the person responsible for paying the income, mentioned in paragraph 1 of the declaration
2. Date on which the declaration was furnished by the declarant
3. Date of *declaration, distribution or payment of dividend/withdrawal from account number _____ under the National Savings Scheme
4. Period in respect of which *dividend has been declared/interest is being credited or paid/income in respect of units is being credited or paid
5. Amount of *dividend/interest or income in respect of units/withdrawal from National Savings Scheme Account
6. *Rate at which interest or income in respect of units, as the case may be, is credited/paid

Forwarded to the Chief Commissioner or Commissioner of Income-tax

Place:

Date:

.....
Signature of the person responsible for paying the income referred to in Paragraph 1