

NOTICE

Notice is hereby given that the **Twenty-First Annual General Meeting (AGM)** of the Members of TD Power Systems Limited (Company) will be held **on Friday 25th day of September 2020 at 11.30 A.M. through Video Conferencing ("VC") / Other AudioVisual Means ("OAVM")**, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company (including consolidated financial statements) for the financial year ended March 31, 2020, together with the Reports of the Board of Directors and Auditors' thereon.
2. To confirm the payment of Interim Dividend (Rs.1.50 per share) and declare final dividend (Rs.0.75 per share) for the financial year ended March 31, 2020.
3. To appoint a Director in place of Mr. K G Prabhakar (DIN: 07187463) who retires by rotation and being eligible seeks re-appointment.

SPECIAL BUSINESS

4. To ratify remuneration payable to the Cost Auditors for the financial year 2020-21 and in this regard, 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 Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit & Auditors) Rules, 2014 (including any statutory modification or re-enactment(s) thereof, for the time being in force) M/s. Rao, Murthy & Associates, Cost Auditors (Firm Registration No.000065) appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021, be paid the remuneration as

set out in the Statement annexed to the Notice convening this Meeting.

5. To Approve payment of remuneration to the Managing Director of the Company and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 196, 197 Schedule V and other applicable provisions, if any of the Companies Act, 2013 and rules made thereunder (including any statutory modification or re-enactment thereof for the time being in force) and based upon the recommendation of Board of Directors and Nomination and Remuneration Committee, approval of the Company be and is hereby accorded for payment of the remuneration (as minimum remuneration) to Mr. Nikhil Kumar, Managing Director of the Company for the financial year 2019-20 and remainder period of his term (upto January 16, 2021) as set out in the explanatory statement annexed to the Notice of convening this Meeting.

RESOLVED FURTHER THAT, the Board of Directors of the Company and Company Secretary be and are hereby authorized to do all such acts, deeds, matters, and things as may be considered, desirable or expedient to give effect to this resolution.

6. To re-appoint Managing director of the Company for a further term of five years and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

RESOVLED THAT pursuant to the provisions of Section 196, 197, 203, Schedule V and other applicable provisions, if any of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force) read with the Companies

(Appointment and Remuneration of Managerial Personnel) Rules 2014 and SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended from time to time and based upon the recommendation of Board of Directors and Nomination and Remuneration Committee, Mr. Nikhil Kumar (DIN:00062243) be and is hereby re-appointed as Managing Director of the Company with effect from January 17, 2021 for a period of five years (up to January 16, 2026) on the terms & conditions of appointment including payment of remuneration, perquisites & other benefits including the remuneration to be paid in the event of loss or inadequacy of profit in any financial year during the tenure of his

appointment, as set out in the Explanatory Statement annexed to the Notice of convening this Meeting.

RESOLVED FURTHER THAT, the Board of Directors of the Company and Company Secretary be and are hereby severally authorized to do all such acts, deeds, matters, and things as may be considered, desirable or expedient to give effect to this resolution.

By Order of the Board
for **TD Power Systems Limited**

Bangalore
August 06, 2020

N. Srivatsa
Company Secretary

NOTES

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 05, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the AGM of the Company is being held through VC / OAVM. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to this Notice. The instructions for attending the AGM through VC/OAVM is provided under Note No.17 of the Notice.
2. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 (Act) in respect of the special business set out in this Notice and the relevant details pursuant to SEBI Listing Regulations are annexed hereto.
3. The relevant details, pursuant to regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
4. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since the AGM is being held in accordance with the Circulars through VC, the facility for appointment of proxies by the Members will not be available for this AGM. Accordingly, the Proxy Form and Attendance Slip are not annexed to this Notice.
5. Mr. Sudhir V. Hulyalkar, Company Secretary in Practice (CP No. 6137), Bangalore has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. After the conclusion of voting at the AGM, the Scrutinizers will submit a report after taking into account votes cast at the AGM and through remote e-voting in accordance with provisions of Rule 20 of Companies (Management and Administration) Rules, 2014, as amended. The consolidated results

- in respect of voting along with the Scrutinizer's Report will be sent to the Stock Exchanges and will also be hosted on website of the Company.
6. Members of the Company under the category of Institutional Investors are encouraged to attend and vote at the AGM through VC. Corporate Members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution/authorization letter to the Scrutinizer at his email id sudhir.compsec@gmail.com or to the Company at the email id Srivatsa.n@tdps.co.in or upload on the VC portal/e-voting portal (CDSL).
 7. Participation of Members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").
 8. In compliance with the aforesaid Circulars, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report for the year 2019-20 will also be available on the Company's website at <http://tdps.co.in/investor-relations/information-pack/financial-information/annual-reports/> and websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively.
 9. Members are required to immediately inform the Company's Registrars and Transfer Agents, Link Intime India Private Limited, C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083, Tel No: +91 22 49186000, in case of shares held in physical form and to the respective Depository Participants, in case of shares held in dematerialized/electronic form, the details about their email addresses, if any, so that all notices and other statutory documents which are required to be sent to the members, as per the provisions of the Companies Act, 2013 and SEBI Regulations, can be sent to their registered email addresses.
 10. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No.16. The voting facility through electronic voting system shall be made available during the AGM and members attending the meeting through VC who have not cast their vote by remote e-voting shall be able to exercise their right during the meeting through electronic voting system.
 11. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof.
- The aforementioned forms for tax exemption can be downloaded from Link Intime's website. The URL for the same is as under:
- <https://www.linkintime.co.in/client-downloads.html> - On this page select the General tab. All the forms are available in under the head "Form 15G/15H/10F"
- The aforementioned documents (duly completed and signed) are required to be uploaded on the url mentioned as follows; <https://linkintime.co.in/formsreg/submission-of-form-15g-15h.html>.
- On this page the user shall be prompted to select / share the following information to register their request:
- I. Select the company (Dropdown)

- II. Folio / DP-Client ID
- III. PAN
- IV. Financial year (Dropdown)
- V. Form selection
- VI. Document attachment – 1 (PAN)
- VII. Document attachment – 2 (Forms)
- VIII. Document attachment – 3 (Any other supporting document)

Please note that, the upload of documents (duly completed and signed) on the website of Link Intime India Private Ltd should be done on or before Record date for the final dividend in order to enable the Company to determine and deduct appropriate TDS / Withholding Tax. Incomplete and/or unsigned forms and declarations will not be considered by the Company. No communication on the tax determination/ deduction shall be considered after Record date for the dividend, 6:00 PM.

Shareholders may note that in case the tax on said interim/final dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents, option is available to shareholder to file the return of income as per Income Tax Act, 1961 and claim an appropriate refund, if eligible.

12. Statutory Registers, certificate from Auditors of the Company certifying that the ESOP Schemes of the Company are being implemented in accordance with the SEBI (Share Based Employee Benefits) Regulations, 2014 will be available electronically for inspection by the members during the AGM.
13. All documents as mentioned in the Resolutions and/or Explanatory Statement are available for inspection by the Members at the Registered Office of the Company from 10.00 AM to 12.00 Noon on any working day and will also be made available at the venue of the Twenty-First Annual General Meeting of the Company.
14. Pursuant to the provisions of Regulation 42 of SEBI LODR Regulations, the record date Friday, September 18, 2020 is fixed for ascertaining entitlement of members eligible to receive the final dividend, if declared at the meeting.
15. The Notice of the AGM of the Company along with the Annual Report for the financial year 2019-20, containing inter alia Directors Report, Statement of Profit and Loss, Balance Sheet and Auditors thereon, is being sent through electronic means to those shareholders, whose email addresses are registered with the Company/depository participants as on August 21, 2020. The Notice of the AGM along with the Annual Report 2019-20 is being made available on the Company's website (www.tdps.co.in) and on the website of stock exchanges i.e. BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com. Detailed procedure for attending the AGM and voting through remote e-voting and e-voting at the AGM is provided in the Notice of AGM.

Members wants to update their details with the company the following procedure may be followed:

I. REGISTRATION OF EMAIL ID FOR SHAREHOLDERS HOLDING PHYSICAL SHARES:

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their e-mail addresses may get their e-mail addresses registered with Link Intime India Pvt Ltd, by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the E mail / Bank Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, mobile number and e mail id and also upload the image of share certificate in PDF or JPEG format. (upto 1 MB).

On submission of the shareholders details an OTP will be received by the shareholder which needs to be entered in the link for verification.

II. FOR PERMANENT EMAIL REGISTRATION FOR DEMAT SHAREHOLDERS:

It is clarified that for permanent registration of e-mail address, the Members are requested to register their e-mail address, in respect of demat holdings with the respective Depository Participant (DP) by following the procedure prescribed by the Depository Participant.

III. FOR TEMPORARY EMAIL REGISTRATION FOR DEMAT SHAREHOLDERS:

The Members of the Company holding Equity Shares of the Company in Demat Form and who have not registered their e-mail addresses may temporarily get their e-mail addresses registered with Link Intime India Pvt Ltd by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the E mail Registration heading and follow the registration process as guided therein. The members are requested to provide details such as Name, DPID, Client ID/PAN, mobile number and e-mail id. (This will only help us in getting with touch with them in case of reminders emails for unclaimed dividend if any further the data will be only use as referral data and will not be updated in the system).

IV. REGISTRATION OF BANK DETAILS FOR SHAREHOLDERS HOLDING SHARES IN PHYSICAL FORM:

The Members of the Company holding Equity Shares of the Company in physical Form and who have not registered their bank details can get the same registered with Link Intime India Pvt Ltd, by clicking the link: https://linkintime.co.in/emailreg/email_register.html in their web site www.linkintime.co.in at the Investor Services tab by choosing the E mail/Bank Registration

heading and follow the registration process as guided therein. The members are requested to provide details such as Name, Folio Number, Certificate number, PAN, e-mail id along with the copy of the cheque leaf with the first named shareholders name imprinted in the face of the cheque leaf containing bank name and branch, type of account, bank account number, MICR details and IFSC code in PDF or JPEG format. It is very important that the shareholder to submit the request letter duly signed.

Link Intime will verify the documents uploaded and will take on records documents only for valid cases. On submission of the shareholders details, an OTP will be received by the shareholder which needs to be entered in the above link for verification.

16. ELECTRONIC VOTING

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting Services. The facility of casting the votes by the members using an electronic voting system from a place will be provided by Central Depository Services (India) Limited (CDSL).

The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

Participation in the AGM:

The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the

procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

A) THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:

- (I) The voting period begins on Tuesday, September 22, 2020 (9:00 AM IST) and ends on Thursday September 24, 2020 (5:00 PM IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date September 18, 2020 may cast their vote electronically.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Shareholders can also cast their vote using CDSL's mobile app “m-Voting”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

B) PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR

OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

- i) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to relations@tdps.co.in/rnt.helpdesk@kintimeco.in.
- ii) For Demat shareholders - please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL - 16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to relations@tdps.co.in/rnt.helpdesk@kintimeco.in.

17. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM AREAS UNDER:

Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/ members login where the EVSN of Company will be displayed.

Shareholders are encouraged to join the Meeting through Laptops/IPads for better experience.

Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended

to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investor.relations@tdps.co.in.

The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at investor.relations@tdps.co.in. These queries will be replied by the company suitably by email.

Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

18. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

If any votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

19. NOTE FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.

A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.

After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; sudhir.compsec@gmail.com and investor.relations@tdps.co.in.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or call 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East),

- Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call 1800225533.
20. Subject to provision of the Companies Act, 2013, dividend on equity shares as recommended by the Directors, if declared at this meeting, will be paid within the statutory period of 30 days to those members whose name appear on the Register of Members or beneficial owner of the Company's shares as on the record date i.e. on September 18, 2020.
 21. The Company is obliged to print such bank details on the dividend payment Instruments as furnished by the DP and the Company cannot entertain any request for deletion/change of bank details already printed on the dividend payment Instruments based on the information received from the concerned Dps, without confirmation from them. In this regard, Members are advised to contact their DPs and furnish them the particulars of any change desired, if not already provided.
 22. In terms of the IEPF Rules, the Company has uploaded the information in respect of the Unclaimed Dividends in respect of the Financial Year 2012, 2013, 2014, 2015, 2016, 2017, 2018 and 2019 as on the date of the last AGM held on August 12, 2019 on the website of the IEPF viz. www.iepf.gov.in and under Investors' section on the website of the Company www.tdps.co.in under Unclaimed/Unpaid Dividend.
 23. Members who have not encashed their dividend are advised to write to the Company or Registrar and Share Transfer Agents of the Company, immediately claiming dividends declared by the Company.
 24. Members are requested to address all correspondence including dividend related correspondence, to the Registrar and Share Transfer Agents, (RTA) Link In ime India Private Limited, C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083, Tel No: +91 22 49186000. Members must quote their Folio Number/DP ID & Client ID and contact details such as e-mail address, contact no. etc., in all correspondences with the Company/RTA.
 25. Securities and Exchange Board of India ("SEBI") has mandated the submission of the Permanent Account Number (PAN) by every participant in the security market. Members holding shares in electronic forms, therefore requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN detail to the Registrar and Share Transfer Agents, Link In time India Private Limited, Unit: TD Power Systems Limited, C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083. Members are required to quote Permanent Account Number (PAN) for transfer/transmission of shares in physical form and hence, the transferee(s)/legal heir(s) is required to furnish a copy of his/her PAN to the Company/RTA.
 26. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/ LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019 unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company, promptly.
 27. Pursuant to the provisions of Section 72 of the Companies Act, 2013, Shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic/demat form, the nomination form may be filed with the respective Depository Participant of Shareholders.
- In this Notice and Annexure thereto, the terms "Shareholders" and "Members" are used interchangeably.

ANNEXURE TO THE NOTICE

PROFILE OF MR. K G PRABHAKAR AND MR. NIKHIL KUMAR SEEKING RE-APPOINTMENT

DISCLOSURE RELATING TO DIRECTORS PURSUANT TO REGULATION 26(4) AND 36 (3) OF THE SEBI LISTING REGULATIONS AND CLAUSE 1.2.5 OF THE SECRETARIAL STANDARDS ON GENERAL MEETINGS

Name	Mr. K G Prabhakar	Mr. Nikhil Kumar
Director Identification Number	7187463	00062243
Date of Birth	28-06-1956	17-08-1967
Qualification	Chartered Accountant	Engineer
Brief Resume & Nature of his expertise in specific functional areas	a Chartered Accountant with over four decades experience in Accounting, audit Taxation, Banking, HR and administration	an engineering graduate from Karnataka Regional Engineering College, Surathkal and has studied General Management in Harvard Business School. He is associated with the Company since April 1999 and has over 24 years work experience in the manufacture of electrical rotating machines. Before he was associated with TDPS, he worked with Kirloskar Electric Company Limited. He possesses high caliber experience in marketing, strategic technology alliances, management and engineering. He is one of the promoters of the company and is instrumental in leading the company to achieve and maintain market leadership in certain niche product and market segments.
Directorships held in Indian Companies.	Two	Three
*Chairmanship/Membership of Committees held in Indian Company	Nil	Nil
Relationship with other Directors and Key Managerial Personnel	Not related to any of the directors and Key managerial personnel of the Company	
Number of Equity Shares held in the Company	4500 Equity Shares	4655470 Equity Shares
Number of Board Meetings attended during the Financial Year (2019-20)	Six	Five
Date of first appointment on the Board	20.05.2015	24.04.1999 (appointed as Additional Director)
Terms and conditions of appointment	Non-Executive and Non-Independent Director, liable to retire by rotation	As set out in the item no.6 of the explanatory statement.

*For the purpose of computation of Chairmanship and Membership, only Audit and Stakeholders Relationship Committees have been considered.

EXPLANATORY STATEMENT SETTING OUT MATERIAL FACTS (Statement) PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013, IN RESPECT OF ITEM NOS.4 TO 6 OF THE NOTICE

Item No.4

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved appointment of M/s. Rao, Murthy & Associates, Cost Auditors (Firm Registration No.000065), Bangalore at their meeting held on June 04, 2020 to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021 at a remuneration of Rs.1,75,000 plus applicable taxes and reimbursement of out of pocket expenses.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as afore said, for the financial year ending March 31, 2021 recommended by the Audit Committee and approved by the Board of Directors is to be ratified by the members of the Company as set put in vide Ordinary Resolution at Item No.4 of the Notice.

None of the Directors or Key Managerial Personnel of the Company or their relatives are in any way concerned or interested (financially or otherwise) in the Resolution asset out at Item No.4 of the Notice.

The Board recommends the Ordinary Resolution as set out at Item No. 4 of the Notice for approval by the members.

Item No.5

By a shareholders' approval in 2015, Mr. Nikhil Kumar, was appointed as Managing Director of the Company for 5 years commencing January 17, 2016 to January 16, 2021 on a certain remuneration subject to not exceeding 11% of profits as prescribed. However, due to inadequacy of profits as defined under the Companies Act 2013, his remuneration was revised and based on effective capital basis as approved by the shareholders at their meeting held on September 27, 2017 valid for 3 years including year ended March 31, 2017 as

prescribed. Since the Company's profits for the year ended March 31, 2020 continues to be in adequate, the remuneration paid for the financial year 2019-20 has been limited to the minimum remuneration payable based on effective capital as earlier and approved by the shareholders. The remuneration paid for the year ended March 31, 2020 is Rs.2,38,28,725 excluding contribution to Provident Fund.

Further, it is expected that profits for the fiscal 2021 is expected to be inadequate & accordingly, the remuneration payable for the remainder period of his services in his existing term i.e. till January 16, 2021 is proposed to be continued on minimum remuneration basis based on effective capital as earlier. On the said basis a remuneration of up to Rs.2,40,00,000 p.a. excluding contribution to provident fund is proposed from April 1 2020 up to January 16 2021 on pro rata basis (the reminder period of the current term).

Mr Nikhil Kumar being a Director and the incumbent Managing Director is deemed to be concerned or interested (financially or otherwise) in the Resolution as set out at Item No.5 of the Notice.

The Board recommends the Special Resolution as set out at Item No.5 of the Notice for approval by the members.

Item No.6

The current tenure of the Managing Director, Mr. Nikhil Kumar comes to an end on January 16, 2021. Based on the recommendation of Nomination & Remuneration Committee of the Board and subject to approval of the members, the Board of Directors at their meeting held on August 6, 2020 approved the re-appointment of Mr. Nikhil Kumar as Managing Director of the Company for a further term of five years commencing from January 17, 2021 to January 16, 2026. The terms and conditions & remuneration of his re-appointment as approved by the Board based on

recommendation of the Nomination and Remuneration Committee are as follows:

- 1 Tenure - for a period of 5 years (Five) from January 17, 2021.
- 2 Fixed remuneration by way of Salary (including annual increment of 4%) as follows:

Period	Remuneration (Rs.)
17.01.2021 TO 16.01.2022	2,64,00,000.00
17.01.2022 TO 16.01.2023	2,74,56,000.00
17.01.2023 TO 16.01.2024	2,85,54,240.00

- 3 a) Variable remuneration- Such remuneration by way of profit linked commission, in addition to the salary, perquisites and allowances payable, not exceeding 3% of the net profits, as defined in the Companies Act, 2013, of the Company in a particular financial year, as may be determined by the Board of the Company at the end of each financial year, subject to the overall limits approved by the shareholders of the Company.

OR

b) Incentive Remuneration: In case where the net profits of the Company are inadequate for payment of profit-linked commission in any financial year, an incentive remuneration may be paid up to an amount not exceeding 100% of Basic Salary paid at the discretion of the Board. This incentive remuneration would be payable subject to the achievement of certain performance criteria and such other parameters as may be considered appropriate from time to time by the Board. An indicative list of factors that may be considered for determining the extent of commission/incentive remuneration, by the Board which will be payable annually after the Annual Accounts have been approved, are:

Company performance on certain defined qualitative and quantitative parameters as may be decided by the Board from time to time.

Industry benchmarks of remuneration.

Performance of the individual.

Subject to a total remuneration not exceeding Rs 5,00,00,000 (Rupees Five Crores only) in any period stated above.

The above remuneration may be drawn from the company or any of its wholly owned subsidiaries subject however that the total remuneration shall not exceed the higher maximum limit from any one of the Companies of which he is a Managing Director.

- 4 Other benefits:
 - Provident Fund Contribution at 12% of the Basic Salary.
 - Gratuity at half a month's salary for each completed year of service.
- 5 Reimbursements:
 - a. Reimbursement of actual expenses incurred on travel and stay outside Bangalore on Company's work.
 - b. Reimbursement of medical expenses of a sum not exceeding one month's salary in each year.
 - c. Reimbursement of telephone expenses and running expenses of the car used for official purposes.
- 6 Leave facilities
 - a. Privilege Leave at the rate of one month for every completed year of service.
 - b. Casual & Sick leave as per the rules of the Company.
 - c. Leave travel assistance of a sum of not exceeding one month's salary in each year.
- 7 Compensation

In the event of determination of the contract by the Company before the contract period, the Company shall pay Mr. Nikhil Kumar a compensation for the unexpired period of the contract at equal to and same terms had the contract been continued.
8. Mr. Nikhil Kumar's Headquarters will continue to be in Bangalore. Mr. Nikhil Kumar, as Managing Director of the Company shall, subject to the superintendence, control and directions of the

Board of Directors, shall continue to carry out such duties and functions and exercise all such powers for the purpose of management and administration of the Company as may be assigned to and vested in him by the Board of Directors of the Company.

Since the profits of the company is expected to be inadequate for the remuneration as above, it is proposed to pay remuneration based on effective capital basis which is the mandated minimum remuneration in terms of PART II, Section II of Schedule V of the Companies Act 2013, subject to approval of the shareholders valid for 3 years. For

the residual tenure of 2 years, approval of the shareholders is required to be obtained in due course.

Mr. Nikhil Kumar is not disqualified from being appointed as Director in terms of Section 164 of the Act and he is not debarred from holding the office of director by virtue of any order passed by SEBI or any such authority. The details with respect to Mr. Nikhil Kumar is disclosed in the Annexure attached to the notice as above.

The disclosure in terms of Section II of Part II of Schedule V and applicable rules under the Companies Act 2013 are as follows:

I. GENERAL INFORMATION:

1.	Nature of Industry	Manufacturers of Ac Generators, Motors		
2.	Date or Expected Date of Commencement of Commercial Production	16/04/1999		
3.	In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable		
4.	Financial performance based on given indicators (Standalone)	Particulars	2019-20 (Rs.in lakhs)	2018-19 (Rs.in lakhs)
		Total Income	49,409.29	45,590.66
		Profit Before Tax, Finance Cost and Depreciation	4,603.21	4,010.22
		Depreciation	2,199.77	2,591.10
		Finance cost	545.00	284.29
		Profit Before Tax	1,858.44	1,134.83
		Tax	214.58	427.91
		Profit After Tax	1,643.86	706.92
		Equity Capital in Rs. (face value Rs. 10)	3,093.34	3,100.92
		Earnings per Share (Rs.)	5.31	2.27
5.	Foreign Investments or Collaborators, if any (as on July 17, 2020)	13.86% (comprises foreign promoter, non-resident shareholding etc.)		

II. INFORMATION ABOUT THE APPOINTEE:

1. Background Details

The brief profile of Mr. Nikhil Kumar is disclosed above in annexure to the notice.

2. Past Remuneration

Details of past remuneration paid to Mr. Nikhil Kumar is mentioned herein below:

(Rs. in Lakhs)

Period	Remuneration Paid*
For 2016-17	204.97
For 2016-17	225.78
For 2018-19	238.28

*contribution to provident fund is excluded.

3. Recognition or awards

Mr. Nikhil Kumar Managing Director is well recognized for his leadership, visionary, and entrepreneur skills in managing business activities. He has over 24 years of work experience in the manufacture of electrical rotating machines and efficiently managing overall affairs of the Company under each difficult business conditions.

4. Job Profile and his suitability

In the capacity of Managing Director of the Company Mr. Nikhil Kumar is responsible for overall management of the Company's & subsidiary company operations, defining and executing business strategy and providing overall leadership to the Company's operations and such other roles and responsibilities as may be assigned to him by the Board from time to time. For suitability please see his brief profile as stated above.

5. Remuneration proposed

The terms and conditions of his appointment along with remuneration proposed is stated above.

6. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of

expatriates the relevant details would be with respect to the country of his origin)

There is no direct comparable remuneration profile as no domestic company in the Private sector in India manufactures similar products. However, based on a broad comparison of remuneration in the power equipment manufacturing sector, the multifarious responsibilities, strategic leadership capabilities and his contribution in the growth & stability of the company, the proposed remuneration is considered reasonable. As one of the promoters of the Company, he has contributed significantly in engineering, innovation, market expansion resulting in a global foot print and striking strategic association with global OEMs 'over the last 20 years. It is to be noted that the remuneration of the Managing Director has not been revised over the last 3-4 years (approved annual revisions) since the business and market conditions were challenging. His continued service and leadership has never been more critical to tide the business vagaries than in these Covid times and to sustain the momentum the company is poised to achieve during the next 3-5 years. The proposed remuneration thus is imperative to retain and utilize his services.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Mr. Nikhil Kumar is not having pecuniary relationship directly and indirectly with the Company except his present employment.

III. OTHER INFORMATION:

1. Reasons of Loss or Inadequate Profits:

The domestic capital goods sector continued to face stress, with no visible uptick in key manufacturing and infrastructure sectors over the last 3-4 years. Domestic Order intake and sales have remained weak reflecting an

overhang of slow recovery. As in the last two to three years the domestic market for generators continued to be sluggish in Fiscal 2020. The global scenario offered no cause for cheer as it continued to encounter challenges including volatility, Eurozone instability, depression in crude oil and volatile commodity prices & currency depreciation in emerging markets. However, to sustain & derisk business, the company continued to focus on overseas markets, offered machines for new applications, invested in automation and enhancement of facilities to meet international quality standards. These initiative as also global market development efforts involved significant costs which have been incurred. In addition, as an Indian manufacturer, it faces significant competition from global peers in the overseas markets which brings certain level of pricing competitiveness. Though some of the above initiatives will contribute to the sustainability and growth of the business in the future, some of the above factors affected the company in cost, realizations and profits.

2. Steps taken or proposed to be taken for improvement:

Increased focus has been initiated to improve overseas markets which is the mainstay of company's turnover considering the state of the domestic market. The overseas wholly owned subsidiaries are performing well in the market and ultimately it will enable the Company to be in a position to gain a good market share in overseas operations also improve its financial positions. Certain measures have been initiated towards cost rationalization & control. Steps are ongoing to make generators for newer applications and markets thus expanding Revenue and margins.

3. Expected increase in productivity and profits in measurable terms:

Subject however, to the severity of the effect of the ongoing pandemic, the steps initiated as above are expected to increase sales, improve capacity utilization, realizations and profitability in the range of at least 10%-15% year on year. It is also expected that new markets will provide better opportunities for better margins.

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OTHER PARAMETERS UNDER SECTION 200 READ WITH RULE 6 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014: (Item No.5 & 6)

1.	The Financial and operating performance of the company during the three preceding financial years	Details provided in Sr. no.4 of General Information section above.
2.	The remuneration or commission drawn by the individual concerned in any other capacity	Not applicable.
3.	the remuneration or commission drawn by him from any other company;	Mr. Nikhil Kumar draws part of his remuneration from TD Power Systems Europe GmbH, a wholly owned subsidiary of the Company.
4.	professional qualifications and experience of the individual concerned	Details provided in annexure to the notice as above.
5.	The relationship between remuneration and performance.	As stated above in point 6 above
6.	The principle of proportionality of remuneration within the company, ideally by a rating methodology which compares the remuneration of directors to that of other directors on the board who receives remuneration and employees or executives of the company.	The Managing Director is the only whole time director responsible for the company's business and accordingly his remuneration is not comparable with that of the other Non- whole time directors who are not paid any remuneration except for sitting fee for attendance of the meetings of the Board.
7.	whether remuneration policy for directors differs from remuneration policy for other employees and if so, an explanation for the difference.	The remuneration proposed is reasonably proportionate considering his responsibilities vis a vis the other executives.
8.	The securities held by the director, including options and details of the shares pledged as at the end of the preceding financial year.	The remuneration policy for directors covers a wide range of issues including their role to promote the objects of the Company and all its stakeholders etc. Whereas, the remuneration policy for other employees are governed by applicable HR policies. Mr. Nikhil Kumar holds 46,55,470 (15.05%) Equity share of the Company. He is not covered by any stock options of the Company in terms of SEBI (Share Based Employee Benefits) Regulations, 2014. The shares held by him are not subject to pledge and encumbrance.

Mr Nikhil Kumar being a Director and the incumbent Managing Director is deemed to be concerned or interested (financially or otherwise) in the Resolution as set out at Item No.6 of the Notice.

The Board recommends the Special Resolution as set out at Item No. 6 of the Notice for approval by the members.

By Order of the Board
for **TD Power Systems Limited**

Bangalore
August 06, 2020

N. Srivatsa
Company Secretary