

**ANNEXURE - 9**
**CORPORATE GOVERNANCE REPORT**
**Company's Philosophy**

Your Company i.e. TD Power Systems Limited ("we")/"The Company")/"TDPS") is committed to ethical business practices and regulatory compliances and continues to practice good Corporate Governance. We have complied with the requirements of corporate governance contained in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations /LODR), particularly those relating to composition of Board of Directors ("The Board"), constitution of Committees such as an Audit Committee, Stakeholders Relationship Committee and Nomination and Remuneration Committee & Risk Management Committee.

Our Corporate Governance Report for fiscal 2023 forms part of this Annual Report.

**I. Board of Directors and Procedures**

The composition of the Board of Directors as on March 31, 2023 comprised of six directors consisting of a Non-Executive Chairman, a Managing Director ("MD") a Non-Executive Non-Independent Director and three Independent Directors. The Company's Board comprises two women directors out of which one is Independent Director. The positions of the Chairman of the Board and the Managing Director (Chief Executive Officer) of the Company are held by separate individuals. The Chairman of the Board is a Non-Executive Non-Independent Director and one of the promoters of the Company.

**A. Composition & Category of Directors, Attendance at Board Meetings & Annual General Meeting, Membership of other Boards / Committees as of March 31, 2023:**

Name	Category	Board Meeting entitled or held during the tenure	Board meetings attended during the tenure	Attendance at Last AGM	Directorship in companies		Chairmanship/ Committee membership in other Companies	
					Public Company	Private Company	Chairman	Member
Mr. Mohib N. Khericha	Non-Executive Chairman	5	4	Yes	4	2	2	4
Mr. Nikhil Kumar	Managing Director	5	5	Yes	2	2	Nil	Nil
Mr. Nithin Bagamane	Independent Director	5	5	Yes	1	3	1	2
Mr. Ravi Kanth Mantha	Independent Director	5	4	No	2	6	Nil	1
Ms. Prathibha Sastry	Independent Director	5	5	Yes	1	Nil	Nil	2
Mr.K G Prabhakar <sup>(1)</sup>	Non-Executive Non Independent Director	3	3	Yes	2	Nil	Nil	Nil
Ms. S Prabhamani <sup>(2)</sup>	Non-Executive Non Independent Director	2	2	NA*	2	Nil	Nil	Nil

**\* Directorship:**

- (1) Resigned as a director w.e.f. September 27, 2022 and directorship above is disclosed till his retirement date.
- (2) Appointed as a director w.e.f. September 27, 2022

**Other disclosures:**

- As required under Regulation 26 of the LODR, disclosure considers chairpersonship (in Listed Companies) and membership of Audit Committee & Stakeholders' Relationship Committee of Public Limited companies.

- The necessary disclosure regarding change in Committee positions, if any, have been made by all the Directors, during the year under review. None of the Director is a Member of more than 10 Committees or Chairman of more than 5 Committees across all Indian Listed public limited Companies in which he/she is a Director.

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- None of the Directors had any relationship inter-se.
- As on March 31, 2023, Mr. Mohib N. Khericha and Ms. S Prabhamani being Non- Executive Directors holds 1,91,54,800 and 3,72,319 equity shares of face value of 2 each of the Company respectively.
- The Company has proper systems to enable the Board to periodically review compliance Reports of all laws applicable to the Company, as prepared by the Company.
- None of the Non-executive Directors held convertible instruments of the Company during the fiscal 2023

**A(I). Details of directorship of Board Members in other listed entities:**

Sl. No.	Particulars	Name of other listed entity	Category
1	Mr. Mohib N. Khericha	Chartered Capital and Investment Limited	Managing Director
		Mazda Limited	Independent Director

*Note: Except the above, none of the directors of TDPS holds directorship in any other listed entity as of March 31, 2023.*

**B. Board Meetings**

The Board meets at least once in a quarter to review the quarterly results and other items on the agenda. During the year, the Board met five times on May 10, 2022, August 09, 2022, August 30, 2022, November 09, 2022 and February 08, 2023. The maximum gap between any two Board Meetings was less than one hundred and twenty days. Agenda papers and minutes of Board meetings were circulated to directors. It contains vital and adequate information facilitating deliberations at the meetings.

All material information was circulated to the directors before the meetings or placed at the meetings, including the following minimum information as mentioned in the Part B of Schedule II of LODR, as and when occasion arises:

Annual Business Plan which includes capital expenditure and manpower budget. The capital expenditure proposals sanctioned and actual amounts incurred are Reported on a quarterly basis. Reasons for variance between the budget and actuals are also explained.

Information on recruitment of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and Company Secretary if any.

Report on statutory compliance, show cause notices, penalties, suits filed by/against the company and shareholders grievances, etc.

Quarterly financial results for the Company and for the group companies with analysis of performance.

Minutes of the meetings of committee of the Board of Directors.

Significant labor problems, if any, and their proposed solutions, wage agreements etc.

Safety issues - fatal or serious accidents in the plants, dangerous occurrences, any material effluent or pollution problems if any.

Any material default in financial obligations if any to and by the Company.

Any issue, which involves possible public or product liability claims of substantial nature, including any judgment or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company

Matters relating to related party transactions and statutory compliance.

Minutes of meeting of the Board of Directors, financial statements and significant transactions relating to wholly owned subsidiaries..

**C. Code of Conduct**

The Company has in place a comprehensive Code of Conduct ("the Code") applicable to all the employees and Non-executive Directors including Independent Directors. The Code gives guidance and support needed for ethical conduct of business and compliance of law. A copy of the Code has been placed on the Company's website ([www.tdps.co.in](http://www.tdps.co.in)). The Code has been circulated to Directors and Management Personnel and its compliance is affirmed by them annually. A declaration signed by the Managing Director forms part of this Report. The code of conduct has incorporated the duties of independent directors as laid down in the Companies Act, 2013.

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**D. Disclosure regarding Appointment or Reappointment of a Director**

**I. Mr. Mohib N Khericha (DIN: 00010365) retires by rotation**

Pursuant to provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Mohib N Khericha (DIN: 00010365) retires by rotation at the ensuing 24th Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

Mr. Mohib N Khericha, aged 71 years, is a Chartered Accountant by qualification. He is the Non - Executive Chairman of the Company since July 5, 2001. He is a Chartered Accountant with over four decades experience in capital structuring, restructuring, financial management and loan syndication. He ventured into merchant banking in the year 1994. As on date Mr. Mohib N Khericha does not hold any equity share of the company. He has attended 4 out of 5 board meetings of the Company held during fiscal 2023.

He is also a Non-executive Chairman of the Company's wholly owned subsidiary DF Power Systems Private Limited. He does not have any relationship inter-se between other directors.

**iii) Appointment of S Prabhamani in place of K G Prabhakar during the year**

During the Fiscal 2022 Ms. S Prabhamani was appointed in place of Mr. K G Prabhakar at Annual General Meeting held on September 27, 2022.

**E. Independent Directors**

1. Independent Director means a Non-Executive Director, who fulfills the criteria as laid down in Regulation 16 read with regulation 25 of the LODR.
2. None of the Independent Directors of the Company serve as an Independent Director in more than seven listed companies and where any Independent Director is serving as whole-time director in any listed company, such director is not serving as Independent Director in more than three listed companies.
3. The maximum tenure of Independent Directors is in accordance with the Companies Act, 2013 and rules made thereunder, in this regard, from time to time.

4. During the year, separate meeting of the Independent Directors was held on March 1, 2023 without the attendance of non-independent directors and members of the management. All Independent Directors attended the said meeting.
5. The Company issues formal letter of appointment to its Independent Directors and the terms and conditions of said Letter are published on the website of the Company [www.tdps.co.in](http://www.tdps.co.in).
6. In the opinion of the Board, the independent directors of the Company fulfilled the conditions specified under SEBI LODR 2015 and also, they were independent towards any decision of the management.

**F. Familiarization Programme for Non-Executive/ Independent Directors of the Company**

In terms of LODR, the Company adopted a Familiarization Programme for its Non-Executive Directors including Independent Directors comprising two segments:-

1. Familiarization upon induction of new Directors
 

Inductee was provided with a copy of all the applicable codes and policies formulated and adopted by the Company.

An orientation on the Company's, products, markets, customers and functions.

Introduction to and interaction with certain key members of the senior management of the Company.

A detailed briefing to the inductee on the roles and responsibilities as Director / Independent Director.
2. Annual Familiarization Programme
 

On an annual basis, the Company brief its Directors inter alia about the Company's business model, shareholder profile, financial details, their roles, rights and responsibilities in the Company. The Board is also be periodically briefed on the various changes in the regulations governing the conduct of Independent Directors. The above familiarization program is placed on our website [www.tdps.co.in](http://www.tdps.co.in).

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**G. Skills, expertise and competence of Directors**

The table given below described the core skill, expertise and competence of directors of the Company as of March 31, 2023 as required and possessed in the context of operations of the Company:

Particulars	List of core Skills/Expertise/Competencies identified by the Board				
	Planning	Finance & Taxation	Legal	Administration	Technical
Mr. Mohib N Khericha	✓	✓	✓	✓	✓
Mr. Nikhil Kumar	✓	✓	✓	✓	✓
Ms. S Prabhamani	✓	-	-	✓	✓
Mr. Nithin Bagamane	✓	✓	✓	✓	✓
Mr. Ravi K Mantha	✓	✓	-	✓	-
Ms. Prathibha Sastry	✓	✓	-	✓	-

*Note: The mark is allocated based upon their competencies in the respective areas as stated above. However, in view of the experience and current positions in respective business, the directors possess working knowledge in all the aforesaid areas.*

**H. Board Evaluation**

The Board monitors and reviews the Board evaluation framework. The board works with the Nomination and Remuneration Committee to lay down the evaluation criteria for the performance of executive/non-executive/independent directors. The questionnaire of the survey is a key part of the process of reviewing the functions and effectiveness of the board and identifying possible path for improvement. Each Board member is requested to evaluate the effectiveness of the board dynamics and relationship, information flow, decisions making of the directors, relationship with the stakeholders, company performance and strategy, and the effectiveness of the whole board and its various committees. Feedback on each director is encouraged. The evaluation process for fiscal 2023 has been completed.

An independent directors' meeting was held to review the following:

Review the performance of non-independent directors and the Board as a whole.

Review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors.

Assess the quality, quantity and timeliness of flow of information between the Company management and the

Board that is necessary for the Board to effectively and reasonably perform their duties.

**I. Remuneration of Directors**

There is no pecuniary relationship or transactions with the non-executive directors excepting payment of sitting fees which is paid for attending Board/Committee Meetings. The sitting fees shall not exceed Rupees One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time. No commission/share of profit is payable to them.

**Disclosures with respect to remuneration paid to Individual Directors:**

- i) Details of the remuneration (sitting fee) on standalone basis to Non-executive Directors for the year ended March 31, 2023:

Particulars	(₹ in Lakhs)
Mr. Mohib N Khericha	6.10
Mr. Nithin Bagamane	7.40
Mr. KG Prabhakar	3.00
Ms. S Prabhamani	2.00
Ms. Prathibha Sastry	6.80
Mr. Ravi K Mantha	5.50

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ii) Details of the remuneration to Executive Director (Managing Director) for the year ended March 31, 2022:

Particulars	(₹ in Lakhs)
Salary & Allowances	99.66
Employer PF contribution	11.96
Perquisites	0.40
Commission	197.38
Service Contract/Tenure	5 years
Notice Period	Nil
Severance Fees	Nil
Stock Options	Nil

**J. Remuneration Policy**
**Policy relating to the Remuneration for the Whole time Director, KMP and Senior Management Personnel**

The remuneration/compensation/commission etc. to the Whole-time Director, Key Managerial Personnel (KMP) and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/ compensation/ commission etc. shall be subject to the approval of the Shareholders of the Company, if required.

The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the provisions of the Act.

Increments to the existing remuneration/compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.

Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Financial Officer ("CFO"), the Company Secretary ("CS") and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**Remuneration to Whole-time Director, KMP and Senior Management Personnel**
**Remuneration**

The Whole-time Director/KMP and Senior Management Personnel shall be eligible for fixed and/ or variable remuneration payable monthly or annually as may be approved by the Board on the recommendation of the Nomination and Remuneration Committee. In the case of whole time director including Managing Director, the breakup of remuneration and quantum of perquisites including, employer's contribution to P.F, medical

expenses etc. shall be decided and approved by the Board/the person authorized by the Board on the recommendation of the Committee and approved by the shareholders, if required.

**Minimum Remuneration**

If, in any fiscal year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act (in the form as stated under "remuneration" aforesaid) and if it is not able to comply with such provisions, with the approval of shareholders by special resolution.

**Provisions for excess Remuneration**

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the shareholders, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless approved by shareholders by special resolution within two years from the date the sum becomes refundable.

**Criteria of making payments to non-executive directors**

Non-Executive Directors are paid sitting fees for attending Board/Committee Meetings. Provided that, the amount of such fees shall not exceed Rupees One Lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time and no commission/share of profit is payable to them.

**Profit-linked Commission**

The profit-linked Commission or Incentive remuneration may be paid within the monetary limit approved by shareholders.

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**Severance fees**

In the event of determination of the contract by the company before the contract period, the company shall pay executive director, a compensation for the unexpired period of the contract at equal to and same terms had the contract been continued.

**Stock Options**

Pursuant to the provisions of the Act, an Independent Director shall not be entitled to stock options of the Company.

**II Board Committees****A. Audit committee**

The Audit Committee ("Committee") presently consists of three Independent Directors and a non-Independent Director. Mr. Nithin Bagamane, Independent Director is the chairman, and Ms. Prathibha Sastry, Mr. Ravi Kanth Mantha (all Independent Directors) and Mr. Mohib N. Khericha are the other members of the Committee. The constitution of the committee meets with the requirements of section 177 of the Companies Act, 2013 along with Regulation 18 of SEBI LODR 2015.

All the current members of the Committee have relevant experience in financial matters and Mr. Mohib N. Khericha is a Chartered Accountant.

The Company Secretary Mr. Bharat Rajwani is the Secretary of the Audit Committee.

The Chairman of the Audit Committee Mr. Nithin Bagamane attended the 23rd Annual General Meeting held on Monday, September 27, 2022.

The Audit Committee met four (4) times during the fiscal ended March 31, 2023 on May 10, 2022, August 09, 2022, November 09, 2022 and February 08, 2023. Particulars of attendance by the members of the Committee during the year ended March 31, 2023 are as follows:

Date of meeting	Members Present
May 10, 2022	Mr. Nithin Bagamane,
August 09, 2022	Mr. Mohib N. Khericha,
November 09, 2022	Ms. Prathibha Sastry & Mr. Ravi Kanth Mantha.
February 08, 2023	Mr. Mohib N Khericha did not attend the meeting held on November 9, 2022.

The Managing Director and the Chief Financial Officer attends Audit committee meetings by invitation. The Statutory Auditors attends Audit committee meetings as special invitees to provide comments and share concerns, if any, with the Audit committee. Recommendations made by the audit committee during the year were accepted by the Board.

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 and Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Section 177 of the Companies Act, 2013, as applicable, besides other terms may be referred by the Board of Directors including the following:

Review of Management Discussion and Analysis of financial condition and results of operations, statements of significant related party transactions submitted by management, management letters/letters of internal control weaknesses issued by the statutory auditors, Internal Audit Reports relating to internal control weaknesses and the appointment, removal and terms of remuneration of the internal auditor.

Review inter alia related party transactions and the financial statements, minutes of Board meetings of the Company's unlisted Wholly Owned Subsidiaries ("WOS") and all significant transactions and arrangements entered into by the said Subsidiary.

**B. Nomination and Remuneration Committee**

The Nomination and Remuneration Committee ("Committee") presently consists of Mr. Nithin Bagamane Independent Director is the Chairman of the Committee and Ms. Prathibha Sastry and Mr. Mohib N. Khericha are the members of the Committee.

The Company Secretary Mr. Bharat Rajwani is the Secretary of the Nomination and Remuneration Committee. During the fiscal 2023, one meeting was held on August 4, 2022 and all the members were present.

The powers, role and terms of reference of the Nomination and Remuneration Committee covers



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the areas as contemplated under Regulation 19 and Part D of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Section 178 of the Companies Act, 2013 and includes the following:

Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

Formulation of criteria for evaluation of Independent Directors and the Board.

Devising a policy on Board diversity.

Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

**Performance evaluation criteria for independent directors**

The criteria for performance evaluation cover the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation, the Directors who are subject to evaluation did not participate.

**C. Stakeholders' Relationship Committee**

Stakeholders' Relationship Committee ("The Committee") presently consists of Mr. Mohib N. Khericha, Non-Executive Director - the Chairman, Ms. Prathibha Sastry and Mr. Nithin Bagamane-Independent Directors are the members of the committee.

The Company Secretary Mr. N Srivatsa is the Secretary of the Stakeholders' Relationship Committee.

During the year one meeting was held on March 16, 2023 and all the members were present. The Company has not received any complaint from shareholders during the fiscal 2023.

Role of the Stakeholders' Relationship Committee covers the areas as contemplated under Regulation 20 and Part D of the Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**D. Risk Management Committee**

Risk Management committee ("The Committee") presently consists of Mr. Nithin Bagamane, Independent Director - the Chairman, Mr. Mohib N. Khericha, Non-Executive Director, Mr. Nikhil Kumar – Managing Director, Mr. Ravi Kanth Mantha – Independent Director and Ms. M N Varalakshmi – CFO, are the members of the Committee. Particulars of attendance by the members of the Committee during the year ended March 31, 2023 are as follows:

Date of meeting	Members Present
September 23, 2022	Mr. Nithin Bagamane, Mr. Mohib N. Khericha, Mr. Nikhil Kumar, Mr. Ravi Kanth Mantha & Ms. M. N. Varalakshmi. Mr. Ravi Kanth Mantha did not attend the meeting held on September 23, 2022.
March 17, 2023	

The role and responsibilities of the Risk Management Committee includes functions specified in Part D of Schedule II of SEBI LODR Regulations.

**III. Subsidiaries**

As per provision of Regulation 24 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, details of the subsidiaries are as follows:

As of 31<sup>st</sup> March 2023 The Company has five Wholly Owned Subsidiaries (WOS) i.e. one Indian and four overseas subsidiaries as detailed below:

**Indian Subsidiary**

DF Power Systems Private Limited (DFPS) is an Unlisted Indian Subsidiary. Mr. Mohib N Khericha, Mr. Nikhil Kumar and Ms. S Prabhamani are the directors of the Company. Ms. S Prabhamani was appointed in place of Mr. K G Prabhakar at the Annual General Meeting of DFPS held on September 15, 2022.

The Board monitors performance of DFPS, inter alia, as follows:

The Audit Committee of the Company reviews the financial statements of DFPS.

All minutes of Board meetings of DFPS are placed before the Company's Board meetings and taken on record.

A statement containing all significant transactions and arrangements entered into by DFPS is placed before the Company's Board if any.

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This subsidiary does not have income or net worth exceeding 10% of the consolidated income or net worth respectively of TD Power Systems Limited - the holding company and its subsidiaries, in the immediately preceding accounting year. Accordingly, it is not a material subsidiary in terms of Regulation 16 of SEBI LODR Regulations.

**Overseas Subsidiaries****USA Subsidiary**

TD Power Systems (USA) Inc. (TDPS USA) was incorporated on February 20, 2013 as a Delaware Corporation and the principal place of business of the Company located in Ohio, USA. Two Directors of the Company Mr. Mohib N. Khericha and Mr. Nikhil Kumar are Directors of TDPS USA.

The financial statements of TDPS USA are reviewed by the Audit Committee and overall operational performance is reviewed by the Board.

**Japan Subsidiary**

The subsidiary incorporated in March 2013 was scaled down in fiscal 2017 since conducting business through a branch of the Company was considered expedient in view of the operational convenience and business requirements & accordingly no business has been carried on in TDPS Japan since March 2022. Accordingly, an application to liquidate the TD Power Systems Japan Limited (TDPS Japan) was filed with appropriate statutory authorities in Japan and the TDPS Japan has been voluntary liquidated and ceased to be in existence with effect from June 26, 2023 in terms of the Closed registration certificate received from the Tokyo Legal Affairs Bureau.

**German Subsidiary**

TD Power Systems Europe GmbH. (TDPS Europe) Office of the Company is located at Paul - Ehrlich - Strasse 1a, 63225 Langen. Mr. Nikhil Kumar, Managing Director of TD Power Systems Limited is the Managing Director of TDPS Europe.

The financial statements of the TDPS Europe are reviewed by the Audit Committee and overall operational performance is reviewed by the Board.

In terms of Regulation 16 of SEBI LODR, TD Power Systems Europe GmbH is a material subsidiary of the Company for the FY 2023 on account of its income exceeding 10% of the consolidated income of TD Power Systems Limited - the holding company and its subsidiaries.

**Turkey Subsidiary**

TD Power Systems Jenerator Sanayi Anonim Sirketi was incorporated in Turkey on June 21, 2017 under the Turkish Commercial code and its registered office is located at Esentepe Mahallesi Kore Şehitleri Cad. No.37/6 Susli/Istanbul. Turkey. Mr. Nikhil Kumar, Managing Director, Ms. Prathibha Sastry, Independent Director and Mr. N. Srivatsa are Directors of TDPS Turkey.

The financial statements of the TDPS Turkey are reviewed by the Audit Committee and overall operational performance is reviewed by the Board.

This subsidiary does not have income or net worth exceeding 10% of the consolidated income or net worth respectively of TD Power Systems Limited - the holding company and its subsidiaries, in the immediately preceding accounting year. Accordingly, it is not a materials subsidiary in terms of Regulation 16 of SEBI LODR Regulations.

The Company has formulated a policy on determining material subsidiaries which is available on our website [www.tdps.co.in](http://www.tdps.co.in)

**IV. Related party transaction**

During the fiscal 2023, the Company had no materially significant related party transaction, which is considered to have potential conflict with the interests of the Company at large.

The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. The said policy is made available on the website of the Company [www.tdps.co.in](http://www.tdps.co.in).

Details of transactions with related parties are provided in **Annexure 2** of the Directors Report in Form AOC 2 and note No.43 to the Annual Accounts.



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**V. General Body Meetings**

The details of the last three Annual General Meetings held and summary of Special Resolutions passed therein are furnished below:

<b>Fiscal Ended</b>	<b>Date &amp; Time</b>	<b>Venue</b>	<b>Special Resolutions passed</b>
31.03.2022	27.09.2022 & 12.00 AM	Through video conferencing ("VC")/ other audio-visual means ("OAVM")	<ul style="list-style-type: none"> <li>- Re-appointment of Ms. Prathibha Sastry (DIN 01505172) as an Independent Director.</li> <li>- Approve remuneration payable to the Managing Director of the Company.</li> <li>- Authorization for creating charge on the assets of the Company.</li> <li>- Alteration of Articles of Association of the Company.</li> </ul>
31.03.2021	27.09.2021 & 10.30 AM	Through video conferencing ("VC")/ other audio-visual means ("OAVM")	<ul style="list-style-type: none"> <li>- Approve modification in the remuneration of the Managing Director of the Company.</li> </ul>
31.03.2020	25.09.2020 & 11.30 AM	Through video conferencing ("VC")/ other audio-visual means ("OAVM")	<ul style="list-style-type: none"> <li>- Approve payment of remuneration to the Managing Director of the Company.</li> <li>- Re-appoint Managing Director of the Company for a further term of five years</li> </ul>

During the year, no special resolution was passed through postal ballot. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require special resolution through postal ballot.

**VI. Means of Communication**
**Quarterly/Half Yearly/Yearly Results**

Pursuant to provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, periodical financial results of the Company are being published in widely circulated English newspaper (Business line - All India editions) and vernacular Eesanje newspaper (Bangalore edition).

Financial results, duly approved by the Board, are filed with to the Stock Exchanges (BSE and NSE) and also displayed on Company's Website [www.tdps.co.in](http://www.tdps.co.in). Along with the financial results, other information as per the SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 such as Annual Report, Shareholding Pattern and official news/press releases are filed with BSE on <http://listing.bseindia.com> and with NSE through <https://www.connect2nse.com/LISTING/> (NSE Electronic Application Processing System (NEAPS)) or [digitalexchange.nseindia.com](http://digitalexchange.nseindia.com) (Digital Exchange) and also on company's website [www.tdps.co.in](http://www.tdps.co.in). The Company conducts earnings calls after the board meeting to discuss financial results of the Company for the quarter, half year and year ended as the case may be. The presentations made to the institutional investors or analysts, if any, are sent to Stock Exchanges and also made available on the website of the Company at [www.tdps.co.in](http://www.tdps.co.in).

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## VII. General Shareholder Information

a	<b>Annual General Meeting Date, Time and Venue</b>	Wednesday, 9 <sup>th</sup> day of August 2023, at 2.00 PM through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"),
b	<b>Fiscal</b>	A twelve-month period starting from April 1, 2022 to March 31, 2023.
c	<b>Dividend Payment Date</b>	The final dividend, as recommended by the Board of Directors, if declared at the ensuing Annual General Meeting will be paid within the statutory period of 30 days.
d	<b>Date of Book closure/Record date</b>	As mentioned in the Notice of this AGM.
e	<b>Listing on Stock Exchanges</b>	<p>The Equity Shares of the Company are listed on BSE Limited (BSE) and National Stock Exchange of India Ltd (NSE)</p> <p>BSE LIMITED, P J Towers, Dalal Street, Mumbai 400 001</p> <p>NATIONAL STOCK EXCHANGE OF INDIA LIMITED, Bandra-Kurla Complex, Bandra (East), Mumbai 400 051</p> <p>The listing fees dues as on the date has been paid to the respective stock exchanges.</p>
f	<b>Stock Code</b>	<p>BSE – 533553</p> <p>NSE – TDPOWERSYS</p>
g	<b>ISIN No.</b>	INE419M01027
h	<b>Market Price Data</b>	(As per Annexure A)
i	<b>Stock Performance in comparison to BSE Sensex and NSE Nifty</b>	(As per Annexure B)
j	<b>Registrar and Transfer Agents (RTA)</b>	<p><b>Link Intime India Private Limited</b> C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 Tel No: +91 22 49186000</p>
k	<b>Share Transfer System</b>	Share transfers are registered and returned in the normal course within a period of 15 days from the date of receipt.
l	<b>Distribution of shareholding as on March 31, 2023</b>	(As per Annexure C)
m	<b>Shareholding Pattern as on March 31, 2023</b>	(As per Annexure D)

## CORPORATE GOVERNANCE REPORT (CONTD.)

n	Dematerialisation of Shares and Liquidity as on March 31, 2023	<table><tr><th>Description</th><th>No. of Holders</th><th>No. of Shares</th><th>% of Equity</th></tr><tr><td>Physical</td><td>1</td><td>10</td><td>0.00%</td></tr><tr><td>NSDL</td><td>8174</td><td>90613305</td><td>58.0696</td></tr><tr><td>CDSL</td><td>20099</td><td>65429320</td><td>41.936</td></tr><tr><td>Total</td><td>28274</td><td>156042635</td><td>100.00</td></tr></table>	Description	No. of Holders	No. of Shares	% of Equity	Physical	1	10	0.00%	NSDL	8174	90613305	58.0696	CDSL	20099	65429320	41.936	Total	28274	156042635	100.00
Description	No. of Holders	No. of Shares	% of Equity																			
Physical	1	10	0.00%																			
NSDL	8174	90613305	58.0696																			
CDSL	20099	65429320	41.936																			
Total	28274	156042635	100.00																			
o	Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity	No outstanding GDRs/ADRs/Warrants or any Convertible Instruments																				
p	Commodity price risk or Foreign exchange risk and hedging activities	Nil																				
q	Registered Office & Factory (Plant Location)	Unit I: # 27, 28 & 29 KIADB Industrial Area, Dabaspet, Nelamangala Taluk, Bangalore, Karnataka - 562 111  Unit II: Sy. No. 59/2, Yedehalli Village Nelamangala Taluk, Sompura Hobli Dabaspet, Bangalore, Karnataka - 562 111																				
r	Compliance Officer & Company Secretary	Bharat Rajwani																				
s	Address for correspondence	Shareholders/Beneficial owners are requested to correspond with the Company's RTA (Registrar & Share Transfer Agents) with respect to any query, request, information or clarification pertaining to shares and are further advised to quote their folio number, DP & Client ID number as the case may be, in all correspondence with it. In addition to the RTA, the shareholders may correspond at the following addresses;  <b>Registered Office &amp; Factory</b> <b>TD POWER SYSTEMS LIMITED</b> # 27, 28 & 29 KIADB Industrial Area Dabaspet, Nelamangala Taluk Bangalore, Karnataka - 562 111 Ph.: 080-2299 5700 Fax: 080-2299 5718																				

## CORPORATE GOVERNANCE REPORT (CONTD.)

## Annexure A

## Market Price Data: High, Low, close, volume during each month of the fiscal 2023

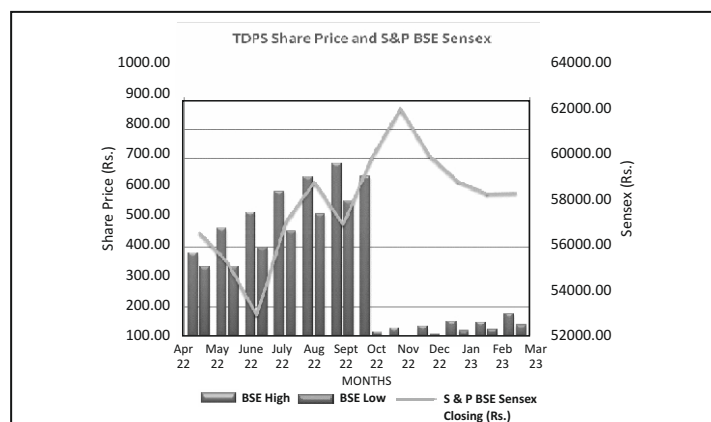
A summary containing monthly high/low/close and total volume of share prices at BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) is as under:

Months	BSE				NSE			
	High (₹)	Low (₹)	Close (₹)	Volume (Qty.)	High (₹)	Low (₹)	Close (₹)	Volume (Qty.)
Apr - 22	380.70	332.75	348.80	78,631	381.80	316.15	348.10	115,400
May - 22	464.80	335.00	457.25	301,248	465.00	335.15	457.35	2,90,400
Jun - 22	519.00	399.15	465.45	147,073	518.65	400.90	466.65	129,300
Jul - 22	589.95	455.40	567.55	167,780	588.85	452.10	567.00	143,800
Aug - 22	638.35	512.10	586.95	286,183	638.00	510.55	588.40	267,900
Sep - 22	684.95	557.00	611.40	346,609	684.80	556.10	610.75	308,000
Oct - 22*	640.30	115.20	124.20	176,035	642.20	110.65	124.10	143,200
Nov - 22*	126.90	95.90	110.50	894,447	126.90	95.85	110.20	115,400
Dec - 22*	133.10	109.15	118.80	1,003,421	133.25	108.60	118.60	1,067,500
Jan - 23*	149.80	118.90	131.15	1,953,667	149.45	118.75	131.45	1,399,400
Feb - 23*	147.30	212.45	140.00	2,492,528	147.35	121.25	140.00	1,078,000
Mar - 23*	174.90	137.25	158.30	2,153,389	174.85	137.25	158.80	21,13,400

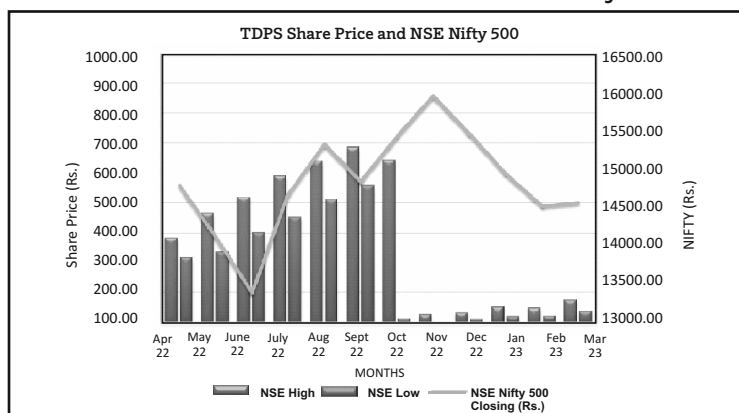
\*Each equity share of face value of ₹10/- has been sub-divided into 5 equity shares of face value of ₹2 each with effect from November 01, 2022 (record date of sub-division)

## Annexure B

## Performance in comparison to broad-based indices such as BSE Sensex and NSE Nifty



## Annexure B - TDPS Share Price and NSE Nifty 500



**CORPORATE GOVERNANCE REPORT (CONTD.)**

**Annexure C**

**Distribution of shareholding as on March 31, 2023**

Shareholding of Nominal Shares	Shareholders	% to Total Shareholders	Total Shares	% of Paid up Capital
1 to 500	23371	82.659	2297365	1.4723
501 to 1000	1702	6.0197	1338234	0.8576
1001 to 2000	1202	4.2513	1747753	1.1200
2001 to 3000	588	2.0796	1474048	0.9446
3001 to 4000	266	0.9408	949473	0.6085
4001 to 5000	258	0.9125	1214367	0.7782
5001 to 10000	412	1.4572	2978659	1.9089
Above 10000	475	1.68	144042736	92.3099
<b>Total</b>	<b>28274</b>	<b>100</b>	<b>156042635</b>	<b>100</b>

**Annexure D**

**Shareholding pattern as on March 31, 2023**

Sl. No.	Category	Number of Shares	% of Holding
<b>(A)</b>	<b>Promoters &amp; Promoters Group</b>		
1	Promoters		
1(a)	Individual (Indian Nationals)	42348120	27.14
1(b)	Individual (Foreign National)	16176270	10.37
1(c)	Body Corporate	25132165	16.11
2	Promoters Group	7635040	4.89
	<b>Total (A1 + A2)</b>	<b>91291595</b>	<b>58.51</b>
<b>(B)</b>	<b>Public Shareholdings</b>		
1	Mutual Funds	22775292	14.60
2	Alternate Investment Funds	291846	0.19
3	Foreign Portfolio Investor (Corporate)	2873494	1.84
4	Financial Institutions	0.00	0.00
5	Individuals	30639036	19.63
6	Others	7854037	0.05
	<b>Total (B)</b>	<b>64433705</b>	<b>39.26</b>
<b>(C)</b>	<b>Non Promoter - Non Public shareholder</b>		
	TDPSL Employee Welfare Trust	317335	0.20
	<b>Grand Total (A +B+C)</b>	<b>156042635</b>	<b>100.00</b>

**VIII. Other Disclosure**

**1. Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchange(s)**

The equity shares of the Company are listed on BSE Limited, Mumbai and National Stock Exchange of India Limited, Mumbai, and the Company has complied with all the applicable requirements of capital markets and no penalties or strictures have been imposed on the Company by Stock Exchanges, SEBI or any other statutory authority, on any matter relating to the capital markets, during the last three years.

However, vide letter List/COMP/ 533553/Reg.34-Mar 19/ 206/ 2018-19 dated October 15, 2019 the BSE Limited imposed a fine of ₹ 84,960/- for non-compliance of regulation 34 of SEBI LODR - non-submission of annual report for the year ended March 2019. In response, the Company vide its letter dated October 18, 2019 clarified as follows:

- 1) The BSE filing portal faced technical issues and was not allowing us to attach full Annual Report. Accordingly, due to compliance urgency the Company got in touch with the BSE and was advised "to file the annual report by mode of link to the Company's website and the stock exchange will come back for further assistance and clarification.

## CORPORATE GOVERNANCE REPORT (CONTD.)

- 2) The Company uploaded its Annual Report for the Year ended March 31 2019 along with the Notice of the Annual General Meeting (AGM) on July 22 2019 and provided the link to the Company's website as advised by BSE.

Till date, no action has been initiated further in this regard by BSE.

Similarly, the NSE vide its letter dated January 23, 2021 sent notice regarding non-compliance of regulation 34 of SEBI LODR as referred above and levied a penalty thereon. However, based on the representation by the Company, the said notice was withdrawn by the NSE vide its letter dated March 19, 2021 and penalty was waived off. The response from BSE is still awaited.

## 2. Whistle Blower Policy / Vigil Mechanism

The Company is committed to ethical and lawful business conduct which is not only essential to the Company's success, but also a fundamental shared value of its Board of Directors (the "Board"), senior management personnel and employees. Consistent with these principles, the Board has adopted a Code of Business conduct and Ethics (the "Code") as a guide to the principles and standards that should govern the actions of its Board and senior management personnel.

Any actual or potential violation of the Code or any deviation from the key company policies howsoever insignificant or perceived as such, is a matter of serious concern for the Company and should be Reported appropriately for remedial/penal action.

To enable Reporting (Whistle blower) of actual or potential violation of the Code or any deviation from the key company policies, a fair and proactive mechanism is imperative fortified by an appropriate protection policy.

This Whistle Blower Policy and Vigil Mechanism ("the Policy" or "this Policy") has been formulated with a view to provide a mechanism for Directors/Employees of the Company to approach the Chairperson of the Audit Committee of the Company or Chairman of the Company. Vigil Mechanism as envisaged in the Companies Act, 2013 and the Rules prescribed is implemented through this Whistle Blower Policy to provide for adequate safeguards to the whistle blowers against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in terms of Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 and Section 177 of the Companies Act, 2013. The above policy is available on our website [www.tdps.co.in](http://www.tdps.co.in).

## 3. CEO / CFO Certification

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Managing Director

and Chief Financial Officer of the Company have certified to the Board of Directors, inter alia, the accuracy of financial statements and adequacy of internal controls for the financial Reporting purpose as required under the SEBI LODR, for the year ended March 31, 2023. The said certificate forms part of this Report.

## 4. Compliance certificates from Practicing Company Secretary

As required by schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), a separate certificate from Mr. Sudhir V. Hulyalkar, Practicing Company Secretary, Bangalore, confirming that:

- Compliance of conditions on Corporate Governance and
- None of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.

The said certificates form part of this Report.

## 5. Details of total fees paid to Statutory Auditors

The details of total fees for all services paid by the Company and its subsidiary, on a consolidated basis, to statutory auditor is as follows;

(₹ in lakhs)

Particulars	Fiscal 2023	Fiscal 2022
Audit Fees (including audit of consolidated financial statements)	13.00	13.00
Limited Review (quarterly financial results including consolidated financial results)	8.25	7.75
Other services - Certifications fees	2.45	3.36

*Note : During the year, there was no payment to any entity in the network firm/network entity of which the statutory auditor is a part.*

## 6. Disclosure in relation to the Sexual Harassment

The details relating to complaint filed, disposed of and pending during the fiscal pertaining to sexual harassment of Women at Workplace is as under:

a	No. of complaints filed during the fiscal	Nil
b	No. of complaints disposed of during the fiscal	
c	No. of complaints pending as on end of the fiscal	



**CORPORATE GOVERNANCE REPORT (CONTD.)**

7. Loans and advances in the nature of loans to Companies in which directors are interested by name and amount are provided in note 43 of the financial statements.

**8. Accounting treatment in preparation of Financial Statements (Ind As)**

The guidelines/Accounting Standards (AS) laid down by the Institute of Chartered Accountants of India (ICAI) and prescribed under Section 133 of the Companies Act, 2013 have been followed in preparation of the financial statements of the Company in all material respects.

**9. Code for prevention of Insider Trading/Fair Disclosure**

Pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT Regulations"), the Company has adopted a Code for Prevention of Insider Trading. The objective of the code is to restrict an insider from dealing in the shares of the Company either directly or indirectly when in possession of unpublished price sensitive information (UPSI) and also to restrict communication of such UPSI. The code is applicable to the directors and designated employees. The code enumerates the procedure to be followed for dealing in the shares of the Company and periodic disclosures to be made. It also restricts the insiders from dealing in the company's shares during the period when the 'Trading Window' is announced closed. The Company Secretary has been designated as the Compliance Officer.

In terms of the SEBI PIT Regulations a Code of practices and procedures for fair disclosure of Unpublished Price Sensitive Information has been formulated by the Company and made available on company's website [www.tdps.co.in](http://www.tdps.co.in).

**10. Management Discussion and Analysis Report**

The Management Discussion and Analysis report forms part of Directors' Report as **Annexure 8**.

**11. Board Diversity**

The Company recognizes the benefits of a Board that possesses a balance of skills, experience, expertise and diversity of perspectives appropriate to the requirements of the business of the Company.

The Company maintains that Board appointment should be based on merit that complements and expands the skills, experience and expertise of the Board as a whole, taking into account gender, age, professional experience and qualifications, cultural and educational background, and any other factors that the Board might consider relevant and applicable from time to time towards achieving a diverse Board.

The Nomination and Remuneration Committee (the "Committee") is responsible for reviewing and assessing the composition and performance of the Board, as well as

identifying appropriately qualified persons to occupy Board positions.

The Board of Directors of the Company have an optimum combination of Executive and Non- Directors with at least one woman director and the composition of the Board is in accordance with requirements of the Articles of Association of the Company, the Companies Act, 2013, Listing Regulation and the statutory, regulatory obligations of the Company. The Board Diversity Policy is available on our website [www.tdps.co.in](http://www.tdps.co.in).

**12. E-Voting**

In compliance of the Companies Act, 2013 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 the Company provides e-voting facility to its shareholders, in respect of all shareholders' resolutions, to be passed at General Meeting. The procedure/instructions for e-voting are included in the Notice of the ensuing Annual General Meeting of the Company.

**13. Mandatory Requirements**

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (m) and (o) of sub regulation (2) of Regulation 46 of the Listing Regulations. The company has complied compliance requirement of corporate governance under Sub para 2 to 10 of corporate governance Report in respect of schedule V of LODR.

**14. Discretionary Requirements**

The status of adoption of the discretionary requirements as specified in Regulation 27(1) of the Listing Regulations are as follows:

Separate posts of Chairman and CEO – The Chairman and Managing Director/ CEO are two separate persons.

Reporting of Internal Auditor - The Internal Auditor Reports directly to the Audit Committee.

Audit Qualifications - The Company has unmodified financial statements for the Fiscal 2023.

**15. Information through Company's Website**

The disclosure as stipulated under Clause (b) to (i) of Regulation 46(2) of the SEBI LODR has been disseminated on the company's website.

For and on behalf of the Board of Directors

Ahmedabad  
July 12, 2023

**Mohib N. Khericha**  
Chairman