

NOTICE

For Members

Notice is hereby given that the **Thirteenth Annual General Meeting** of the Members of the Company will be held at **10.30 am on Thursday, July 12 2012 at "The Capitol", Raj Bhavan Road ,Bangalore -560001** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at March 31 2012, the Profit and Loss Account for the period on that date and the Report of the Directors' and Auditors' thereon.
2. To declare Dividend on Equity Shares.
3. To appoint a Director in place of Mr. Salil Baldev Taneja who retires by rotation and being eligible seeks reappointment.
4. To appoint a Director in place of Dr. Arjun Kalyanpur who retires by rotation and being eligible seeks reappointment.
5. To appoint M/s. B.K. Ramadhyani & Co., Chartered Accountants, Bangalore as Auditors of the Company and to authorize the Board of Directors to fix their remuneration.
6. To appoint Mr. Mitsuo Sekino, Certified Public Accountant, Tokyo, Japan as Auditor of the Company's Japan Branch (Tokyo) and to authorize the Board of Directors to fix auditors' remuneration.

SPECIAL BUSINESS

7. 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 61 and other applicable provisions, if any, of the Companies Act, 1956 and other applicable rules, regulations, guidelines and other statutory provisions for the time being in force, approval of the members of the Company be and is hereby accorded and the Board of Directors (hereinafter called the 'Board' which term shall be deemed to include any committee authorised to exercise its powers including the powers conferred by this resolution), be and is hereby authorised to vary the terms referred to in the prospectus dated August 29 2011 filed by the Company with Registrar of the Companies, Karnataka, (the 'Prospectus') including to vary and or revise (amount or schedule of deployment) the utilization of the proceeds from the Initial Public Offering ('IPO') of Equity Shares made in pursuance of the said Prospectus and or to utilize the proceeds from the IPO including but not limited to allocation intended for construction of project office in Bangalore city, working capital facility, repayment of debt(unutilized) into objects otherwise than identified in the Prospectus, as the case may be."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things, deal with such matters, take necessary steps in the matter as the Board may in its absolute discretion deem necessary, desirable or expedient and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any committee of directors or any other officer(s) or authorised representative(s) of the Company to give effect to the aforesaid resolution."

By Order Of the Board
for **TD POWER SYSTEMS LIMITED**

Bangalore
May 23, 2012

N. Srivatsa
Company Secretary

NOTICE (contd.)

NOTES

1. The relevant explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, relating to business number 7 above to be transacted at the Meeting is annexed hereto.
2. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument of proxy, should, however, be deposited at the registered office of the Company not later than 48 hours before the commencement of the meeting.

Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting

3. The Register of Members and the Transfer Books of the Company will remain closed from July 7, 2012 to July 12, 2012 (both days inclusive) to determine entitlement of dividend on equity shares. The dividend on equity shares as recommended by the Directors, if declared at the Meeting, will be paid within the statutory period of 30 days to those members whose name appear on the Register of Members of the Company as on July 12, 2012, except those held in electronic form. In respect of shares held in electronic form, dividend will be paid to the beneficial holders as per the beneficiary list as on July 6, 2012 provided by the National Securities Depository Limited and Central Depository Services (India) Limited.
4. Members holding shares in electronic form may note that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrars and Transfer Agents cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
5. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address immediately to the Company/ Registrars and Transfer Agents, M/s. Link Intime India Pvt Ltd, the Registrars and Share Transfer Agents of the Company at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West) Mumbai 400 078(Link Intime).
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents, Link Intime.
7. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The nomination form can be downloaded from the Company's website www.tdps.co.in under the section 'Investor Relations'.
8. Non-Resident Indian Members are requested to inform Link Intime, immediately of:
 - Change in their residential status on return to India for permanent settlement.
 - Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
9. Members are requested to bring their Attendance slip along with their copy of the Annual Report to the Meeting.
10. The Ministry of Corporate Affairs (MCA) has initiated a "Green Initiative in Corporate Governance" and vide Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011, Companies have now been allowed to service various notices/documents which, inter-alia, include General Meeting Notices (including AGM & Postal Ballot Notices), Audited Financial Statements, Directors' Report, Auditors' Report, quarterly financial results, all shareholder communication, etc. to its shareholders through electronic mode instead of physical copy of documents. In case you wish to receive the aforesaid documents in electronic mode in lieu of physical mode, please update your email ID with:
 - a) the Company's registrar and share transfer agent (Link Intime).
 - b) for shares held in demat form your respective depository participant for the shares held in dematerialised form (demat).
11. Equity shares of the Company can be traded (sold/bought) on the Stock Exchanges only in Dematerialized form. Considering the advantages of scrip less trading, shareholders should consider dematerializing their shareholding, if not done already.

NOTICE (contd.)

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

Item No. 7

The Members at the Extra-Ordinary General Meeting of the Company held on February 16, 2011 approved the Initial Public Offering ('IPO' / 'Issue') of the Equity Shares. Accordingly, the Company raised Rs. 22700 Lakhs ('Gross Proceeds') by issuing 88,67,187 Equity Shares of Rs. 10 each of the Company for cash at a price of Rs. 256 per Equity Share (including securities premium of Rs. 246 per Equity Share) by way of an IPO through 100% Book building route. The issue related expenses ('Issue Expenses') at the time of filing of Prospectus were estimated to be Rs.1393.40 Lakhs. However the actual Issue Expenses incurred till March 31, 2012 is Rs.1390.82 Lakhs and the difference is also categorized under the head of General Corporate Purposes ('GCP') for the purpose of utilization of net Issue proceeds.

The net Issue proceeds i.e. Gross Proceeds less Issue Expenses ('NIP') were planned with certain objects ('Identified Objects'), more particularly stated and described under section titled 'Objects of the Issue' on Page 68 of the Prospectus, as were considered appropriate and necessary by the management at that point of time and as detailed hereunder:

(Rs. in Lakhs)

Sl. No.	Identified Objects	Total estimated cost (Rs.)	Amount to be financed from Net Proceeds of the Issue (Rs.)	Estimated Net Proceeds of the Issue utilization for Fiscal		
				2012 (Rs.)	2013 (Rs.)	2014 (Rs.)
1	Finance the expansion of our manufacturing plant in Dabaspeta	10273.60	9463.50	5185.30	4278.20	0.00
2	Construction of a project office in Bangalore city	2890.90	2890.90	1560.00	970.90	360.00
3	Repayment of debt	3280.70	3020.00	3020.00	0.00	0.00
4	Funding working capital requirements of our Company	4000.00	4000.00	4000.00	0.00	0.00
5	General corporate purposes	2254.80	2254.80	2254.80	0.00	0.00
	Total	22700.00	2,1629.20	1,6020.10	5249.10	360.00

Out of the total NIP, an amount of Rs.10301.79 Lakhs has been utilized as of March 31, 2012 in accordance with the object set out in the 'Objects of the Issue' section in the Prospectus. The funds earmarked to finance identified objects of the expansion of our manufacturing plant in Dabaspeta will be utilised in full as per the estimated utilisation schedule. However, in respect of the following identified objects either no utilization has been possible or certain savings have been realized:

1. Construction of a project office in Bangalore city: Utilization of Rs. 2890.90 lakhs earmarked for this purpose, has not been possible due to non-availability of a parcel of land appropriate for the proposed building in the identified location.
2. Funding working capital requirements of our Company: Utilization of Rs. 4000.00 lakhs earmarked for this purpose has not been possible due to an extended implementation of the expansion project at Dabaspeta and deferring of orders by customers and consequently deferring of long lead inventory and bought out items required for such orders. Considering the current order levels and the operating cycle it is felt that the existing working capital funds currently in the system would be adequate and utilization of the IPO funds raised for this purpose may not arise in the medium term. If the overall market conditions improve and if there arises a requirement for additional working capital either these funds could be replaced from internal accruals or through appropriate credit limits from the Banks.
3. Repayment of Debt: The debt repayment was estimated at Rs. 3280.70 lakhs against which a sum of Rs. 2741.57 lakhs was repaid out of the Net proceeds of issue. The difference of Rs. 539.13 lakhs represents amount repaid by the Company from internal accruals until the net proceeds were available to the Company.
4. General corporate purposes: Out of the net proceeds of issue, a sum of Rs. 2254.80 lakhs is earmarked to fund general corporate purposes including Issue related expenses estimated at Rs. 1393.40 lakhs. The actual issue related expenses as of March 31, 2012 is Rs.1390.82 lakhs. After considering the issue related expenses of Rs. 1390.82 lakhs an the unutilized balance remains under the identified object of general corporate purposes.

In view of the above reasons, a sum of Rs. 8294.00 lakhs as follows, is available for deployment outside the identified objects subject to approval of the shareholders:

NOTICE (contd.)

Sl. No.	Objects	(Rs. in lakhs)
1	Construction of a project office in Bangalore city	2890.90
2	Funding working capital requirements of our Company	4000.00
3	Repayment of debt	539.12
4	General corporate purposes	863.98
	Total	8294.00

The Company has been reviewing the deployment of NIP in the objects of city office in Bangalore and working capital requirements and the possibilities of deploying the same along with the unutilised NIP available under debt repayment and general corporate purposes in productive assets/objects, which may contribute to enhancing Company's earnings and translate into returns for the shareholders in the next 24 -36 months.

Project for manufacture of new generation AC generators

The proposed new object is to establish, in the vicinity of the existing manufacturing facility at Bangalore, a new facility for manufacture of new generation generators of 54 to 200 MW .This project is the outcome of a long-term license agreement with Siemens AG signed by the Company in March 2012 under which, the Company will receive from Siemens, the know-how for manufacture of industrial, air-cooled 2-pole AC generators in the range of 54 to 200 MW (74 MVA to 250 MVA) in India. The Company is also entitled to receive technology updates for 20 years for this range of generators.

Initially, in terms of the purchase frame agreement signed with Siemens, the Company also has the option to purchase components from Siemens, Germany and commence commercial production of these larger capacity generators in 24 months.

The Company's experience is that many industries in India are demanding larger size captive power plants. The Company is a market leader in generators with output capacity up to 52 MW. This agreement enables the Company to address a wider range of industrial demand for generators – between 1 MW to 200 MW by extending its strong position in focus markets. The larger range of generators in the Company's portfolio will also help address the requirement of the Company's EPC business, which is currently reliant on imports.

The estimated cost of the project is Rs. 19897.00 lakhs towards land & building, machinery and equipments, licence and training fees and other assets. The pattern of financing will include utilization from IPO proceeds of about Rs. 8294.00 lakhs, internal accruals of the fiscal 2011 to 2014 estimated at Rs. 6700.00 lakhs and borrowings of about Rs. 5000.00 lakhs as and when required.

While the management would try as far as possible to fund growth opportunities not identified in the Objects of the Issue from such means of finance as are available to the Company and at the discretion of the management, however management would like to have flexibility to use the unutilized portion of NIP.

Considering the above, the management needs more flexibility in the use of unutilized portion of the NIP including but not limited to change in allocation change in amount or schedule of deployment for the projects identified in the Prospectus, and/or allocation for projects other than those identified in the Prospectus up to Rs. 8294.00 lakhs, as the case may be.

This amounts to variation in the terms of the Prospectus dated August 29, 2011, issued by the Company in respect of the Initial Public offering.

Section 61 of the Companies Act, 1956 provides that the Company shall not vary the terms referred to in the Prospectus except subject to the approval of, or except on authority given by the Company in a general meeting. Accordingly, approval of members is sought to confer authority in favor of the Board to exercise its powers including the powers conferred by this resolution, to vary the terms referred to in the prospectus dated August 29 2011 filed by the Company with the Registrar of Companies, Karnataka, (the 'Prospectus')including to vary and or revise(amount or schedule of deployment) the utilization of the proceeds from the Initial Public Offering ('IPO') of Equity Shares made in pursuance of the said Prospectus and or to utilize the proceeds from the IPO including but not limited to allocation intended for construction of project office in Bangalore city, working capital facility, repayment of debt (unutilized) into objects otherwise than identified in the Prospectus, as the case may be including for Project for manufacture of new generation AC generators as stated above.

Your Directors therefore recommend the resolution proposed at Item no. 7 to be passed as a special resolution by the members. None of the Directors is, in any way, concerned or interested in the said resolution.

By Order Of the Board
for **TD POWER SYSTEMS LIMITED**

N. Srivatsa
Company Secretary

Bangalore
May 23, 2012

TD POWER SYSTEMS LIMITED
 Regd. Off.: #27, 28, 29 KIADB Industrial Area
 Dabaspet, Nelamangala Taluk, Bangalore 562 111.

ATTENDANCE SLIP
13th Annual General Meeting
July 12, 2012

Regd. Folio No. Client ID/Ben. A/c
 DP ID No. of Shares held

I certify that I am a registered shareholder/proxy for the registered shareholder of the company and hereby record my presence at the 13th Annual General Meeting of the Company held at The Capitol, Raj Bhavan Road, Bangalore-560001, on Thursday, July 12, 2012.

 Members/Proxy's name in Block letters Member's/Proxy's signature

Note: Please fill this Attendance Slip and hand it over at the entrance of the meeting hall.

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TD POWER SYSTEMS LIMITED
 Regd. Off.: #27, 28, 29 KIADB Industrial Area
 Dabaspet, Nelamangala Taluk, Bangalore 562 111.

PROXY FORM

Regd. Folio No. Client ID/Ben. A/c
 DP ID No. of Shares held

I/we..... of
 in the district of being a Member / Members of the above named company hereby appoint
 Mr/Ms of in the district of
 as my/our Proxy to attend and vote for me/us and on my/our behalf at the 13th Annual General Meeting of the
 company held at "The Capitol", Raj Bhavan Road, Bangalore-560001 on Thursday, July 12, 2012 and at any
 adjournment(s) thereof.

Affix Re.1/-
 Revenue
 Stamp

Signed this day of 2012 Signature

Note: This form in order to be effective should be deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting duly completed and signed.



TD POWER SYSTEMS LIMITED

Regd. Off.: #27, 28, 29 KIADB Industrial Area
Dabaspet, Nelamangala Taluk, Bangalore 562 111.

Dear Member,

The Ministry of Corporate Affairs (“MCA”) has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances and has issued Circular Nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011. The Circulars provide that a company will be in Compliance with the provisions of Sections 53 and 219 of the Companies Act, 1956, in case documents like notices, annual report and all other communications are sent in electronic mode to its members.

In view of the above, we propose to send the documents like the notices, annual report and all other communications, in electronic form, to your e-mail ID registered with the Company. We, therefore, request all the members to be part of this Green initiative. Members who are holding shares in electronic form may update their e-mail id with their respective DPs. Members who are holding shares in physical forms may fill up the attached ‘E-communication Registration Form’ and send it back to the Company.

Please note that all the documents sent to the members in the electronic form will also be uploaded in the website of the Company www.tdps.co.in . As a member of the company, you continue to be entitled to receive all such communications free of cost, on a request made to the Company in this behalf.

Yours faithfully,

For **TD POWER SYSTEMS LIMITED**

N. Srivatsa

Company Secretary

Bangalore
May 23, 2012

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TD POWER SYSTEMS LIMITED

Regd. Off.: #27, 28, 29 KIADB Industrial Area
Dabaspet, Nelamangala Taluk, Bangalore 562 111.

E-COMMUNICATION REGISTRATION FORM

Dear Sirs,

RE: Green initiative in Corporate Governance

I/We, agree to receive documents like the notices, annual report and all other communications from **TD Power Systems Limited** in electronic mode. Please register my E-mail ID in your records for sending the same through e-mail.

Registered Folio No.
 PAN.....
 Name of the 1st Registered Holder
 Name of the Joint Holder(s)
 E-mail ID.....

Date:

Signature of the 1st Registered Holder

Note:

- i. Investors can also forward the scanned copy of this Registration Form to investor.relations@TDPS.co.in
- ii. On registration, all the communication from the Company will be sent to the E-mail ID registered with the Company.
- iii. The members are requested to keep the company informed as and when there is any change in the E-mail ID. Else, the communication will be sent to the E-mail ID registered with the Company. The ‘E-communication Registration Form’ can also be downloaded from the Company's website www.tdps.co.in

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