



TD POWER SYSTEMS LIMITED

Corporate Identity Number (CIN): L31103KA1999PLC025071
Regd. Office: # 27, 28& 29, KIADB Industrial Area, Dabaspet
Nelamangala Taluk, Bengaluru Rural District, Bengaluru- 562 111
Tel. No.: + 91 80 22995700, Fax: + 91 80 7734439
Email- investor.relations@TDPS.co.in, tdps@tdps.co.in
Website: www.tdps.co.in

POLICY FOR DETERMINING MATERIALITY OF EVENT/ INFORMATION ("Policy")

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1. Introduction:

- i) Regulation 30(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Regulations') mandates every listed entity to frame a policy approved by the Board of Directors for determination of materiality, based on the criteria specified in the terms of Regulation 30.
- ii) The object of the policy is to determine materiality of events/information of TD Power Systems Limited (TDPS/Company) for the purpose of disclosure to stock exchanges and to provide a framework relating to disclosure of such information.
- iii) Accordingly, TD Power Systems Limited (TDPS Limited) herein sets out a Policy for determination of materiality of events and information and disclosure thereof.

2. Applicability:

The Policy is applicable to TD Power Systems Limited (The Company).

3. Identification of materiality of Events/Information:

- 3.1 Regulation 30 of the Regulations divides the event(s)/information requiring disclosure into two categories as follows;

1) – Event(s)/ -information specified under “Para A of Part A of Schedule III of the regulations are deemed as Material attached as **Annexure I** of the policy and shall be of disclosed to the stock exchanges without application of guidelines on materiality and

2) – Event(s)/information specified under “Para B of Part A of Schedule III of the regulations, materiality of which is to be determined by application of materiality criteria in terms of Regulation 30 (attached as **Annexure II** of the policy).

- 3.2 Events specified under Para B of Part A of Schedule III of SEBI (LODR) Regulations, 2015 i.e. **Annexure II** shall be disclosed to the stock exchanges based on application of guidelines for materiality prescribed under Regulation 30(4) of the Regulations amended from time to time as follows:

a) the omission of an event or information, which is likely to result in discontinuity or alteration of event or information already available publicly; or

b) the omission of an event or information is likely to result in significant market reaction if the said omission came to light at a later date; or



- c) the omission of an event or information, whose value or the expected impact in terms of value, exceeds the lower of the following:
 - i) 2% of turnover, as per the last audited consolidated financial statements of the Company;
 - ii) 2% of net worth, as per the last audited consolidated financial statements of the Company, except in case the arithmetic value of the net worth is negative;
 - iii) 5% of the average of absolute value of profit or loss after tax, as per the last three audited consolidated financial statements of the Company;
 - d) In case where the criteria specified in sub-clauses (a), (b) and (c) is not applicable, an event or information may be treated as being material if in the opinion of the board of directors of the Company, the event or information is considered material.
- 3.3 This policy along with the requirements under Regulation 30 shall be disseminated amongst the employees of the Company as determined by KMPs with an intent that the relevant employees i.e. employee who would be in the knowledge of any information/event potentially requiring disclosure under Regulation 30 of the Regulations can apprise the KMP(s) identified by the Board for determination of material events from time to time and for necessary disclosures accordingly.

4. Persons authorized to determine the materiality

The Board authorizes KMPs such as Managing Director, Chief Financial Officer and Company Secretary as the persons authorized to determine jointly materiality of the event or information and authorizes them severally to disclose the material event/information to the stock exchanges under the LODR.

5. Disclosure framework

- 5.1. The listed entity shall first disclose to Stock exchange(s) as soon as reasonably possible and not later than the following;
- a. within twelve hours from the occurrence of the event or information, in case the said event or information is emanating from within the Company or
 - b. within twenty-four hours from the occurrence of the event or information, in case the said event or information is not emanating from within the Company.



- 5.2. Any specific events for which the timeline has already been prescribed under Listing Regulations, shall be the timeline to make such disclosure.
- 5.3. With respect to disclosures referred to above, the Company shall make disclosures updating material developments on a regular basis, till such time the event is resolved/closed, with relevant explanations.
- 5.4. The Company shall disclose on its website all such events or information which has been disclosed to stock exchange(s) under this Regulation and such disclosures shall be hosted on website of the Company for a minimum period of five years.
- 5.5. The Company shall disclose all events or information with respect to Subsidiaries which are material for the Company.
- 5.6. The Company shall provide specific and adequate reply to all queries raised by stock exchange(s) with respect to any events or information.
- 5.7. The Company may on its own initiative also, confirm or deny any reported event or information to stock exchange(s)
- 5.8. In case where an event occurs or an information is available within the Company, which has not been indicated in Para A or B of Part of Schedule III, (i.e. Annexure I, II & III) but which may have material effect on it, the Company shall make adequate disclosure in regard thereof.
- 5.9. In case an event or information is required to be disclosed by the Company in terms of the provisions of Regulation 30 of the Regulations, pursuant to the receipt of a communication from any regulatory, statutory, enforcement or judicial authority, the listed entity shall disclose such communication, along with the event or information, unless disclosure of such communication is prohibited by such authority.

6. Amendments to the policy

This policy shall be subject to review as may be deemed necessary by the Board of Directors in accordance with regulatory amendments.

In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s) etc.

Bangalore

TD Power Systems Limited



Annexure I

Para A - Events which are Deemed Material and shall be disclosed without any application of the guidelines for materiality as specified in sub-regulation (4) of Regulation (30)

1. Acquisition(s) (including agreement to acquire), Scheme of Arrangement (amalgamation/ merger/ demerger/restructuring), sale or disposal of any unit(s), division(s), whole or substantially the whole of the undertaking(s) or subsidiary of the listed entity, sale of stake in the associate company of the listed entity or any other restructuring.
2. Issuance or forfeiture of securities, split or consolidation of shares, buyback of securities, any restriction on transferability of securities or alteration in terms or structure of existing securities including forfeiture, reissue of forfeited securities, alteration of calls, redemption of securities etc.
3. New Ratings(s) or Revision in Rating(s).
4. Outcome of Meetings of the Board of Directors: The Company shall disclose to the Exchange(s), within 30 minutes of the closure of the meeting, held to consider the following:
 - a. Dividends and/or cash bonuses recommended or declared or the decision to pass any dividend and the date on which dividend shall be paid/dispatched;
 - b. any cancellation of dividend with reasons thereof;
 - c. the decision on buyback of securities;
 - d. the decision with respect to fund raising proposed to be undertaken;
 - e. increase in capital by issue of bonus shares through capitalization including the date on which such bonus shares would be credited/dispatched;
 - f. reissue of forfeited shares or securities, or the issue of shares or securities held in reserve for future issue or the creation in any form or manner of new shares or securities or any other rights, privileges or benefits to subscribe to;
 - g. short particulars of any other alterations of capital, including calls;
 - h. financial results;

i. decision on voluntary delisting by the listed entity from stock exchange(s);

5 Agreements (viz. shareholder agreement(s), joint venture agreement(s), family settlement agreement(s) (to the extent that it impacts management and control of the listed entity), agreement(s)/treaty(ies)/contract(s) with media companies) which are binding and not in normal course of business, revision(s) or amendment(s) and termination(s) thereof.

5A Agreements entered into by the shareholders, promoters, promoter group entities, related parties, directors, key managerial personnel, employees of the listed entity or of its holding, subsidiary or associate company, among themselves or with the listed entity or with a third party, solely or jointly, which, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or impose any restriction or create any liability upon the listed entity, shall be disclosed to the Stock Exchanges, including disclosure of any rescission, amendment or alteration of such agreements thereto, whether or not the listed entity is a party to such agreements:

Provided that such agreements entered into by a listed entity in the normal course of business shall not be required to be disclosed unless they, either directly or indirectly or potentially or whose purpose and effect is to, impact the management or control of the listed entity or they are required to be disclosed in terms of any other provisions of these regulations.

6 Fraud or defaults by a listed entity, its promoter, director, key managerial personnel, senior management or subsidiary or arrest of key managerial personnel, senior management, promoter or director whether occurred within India or abroad.

7 Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), senior management, Auditor and Compliance Officer.

7A) In case of resignation of the auditor of the listed entity, detailed reasons for resignation of auditor, as given by the said auditor, shall be disclosed by the listed entities to the stock exchanges.

7B) Resignation of independent director including reasons for resignation: In case of resignation of an independent director of the listed entity, within seven days from the date of resignation, the following disclosures shall be made to the stock exchanges by the listed entities:

i. The letter of resignation along with detailed reasons for the resignation as given by

the said director.

(ia). Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees, if any.

ii. The independent director shall, along with the detailed reasons, also provide a confirmation that there is no other material reasons other than those provided.

iii. The confirmation as provided by the independent director above shall also be disclosed by the listed entities to the stock exchanges along with the disclosures as specified in sub-clause (i) and (ii)] above.

7C) In case of resignation of KMP, senior management, Compliance Officer or director other than independent director; the letter of resignation along with detailed reasons for the resignation as given by the KMP, senior management, Compliance Officer or director shall be disclosed to the stock exchanges by the listed entities which seven days from the date that such resignation comes into effect.

7(D) In case the MD or CEO of the listed entity was indisposed or unavailable to fulfil the requirements of the role in a regular manner for more than 45 days in any rolling period of 90 days, the same along with the reasons for such indisposition or unavailability, shall be disclosed to the stock exchange.

8 Appointment or discontinuation of share transfer agent.

9 Resolution plan/ Restructuring in relation to loans/borrowings from banks/financial institutions including the following details:

(i) Decision to initiate resolution of loans/borrowings;

(ii) Signing of Inter-Creditors Agreement (ICA) by lenders;

(iii) Finalization of Resolution Plan;

(iv) Implementation of Resolution Plan;

(v) Salient features, not involving commercial secrets, of the resolution/ restructuring plan as decided by lenders.

10 One time settlement with a bank.

11 winding-up petition filed by any party / creditors.

12 Issuance of Notices, call letters, resolutions and circulars sent to shareholders, debenture holders or creditors or any class of them or advertised in the media by the listed entity.

- 13 Proceedings of Annual and extraordinary general meetings of the listed entity.
- 14 Amendments to memorandum and articles of association of the Company, in brief.
- 15 a) Schedule of analyst or institutional investor meet at least two working days in advance (excluding the date of intimation and the date of the meet) and presentations on financial results made by the Company to analysts or institutional investors.
- b) Audio or video recordings and transcripts of post earnings/quarterly calls, by whatever name called, conducted physically or through digital means, simultaneously with submission to the recognized stock exchange(s), in the following manner:
- i. the presentation and the audio/video recordings shall be promptly made available on the website and in any case, before the next trading day or within twenty-four hours from the conclusion of such calls, whichever is earlier;
- ii. the transcripts of such calls shall be made available on the website within five working days of the conclusion of such calls.
- 16 Events specified under the Para A Part of Scheduled III of the Regulation in relation to the corporate insolvency resolution process (CIRP) of a listed corporate debtor under the Insolvency Code.
- 17 Initiation of Forensic audit: In case of initiation of forensic audit, (by whatever name called).
- 18 Announcement or communication through social media intermediaries or mainstream media by directors, promoters, key managerial personnel or senior management of a listed entity, in relation to any event or information which is material for the listed entity in terms of regulation 30 of these regulations and is not already made available in the public domain by the listed entity.
- 19 Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect of the following:
- (a) search or seizure; or
- (b) re-opening of accounts under section 130 of the Companies Act, 2013; or
- (c) investigation under the provisions of Chapter XIV of the Companies Act, 2013
- 20 Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body against the listed entity or its directors, key managerial personnel, senior management, promoter or subsidiary, in relation to the listed entity, in respect

of the following:

- (a) suspension;
- (b) imposition of fine or penalty;
- (c) settlement of proceedings;
- (d) debarment;
- (e) disqualification;
- (f) closure of operations;
- (g) sanctions imposed;
- (h) warning or caution; or
- (i) any other similar action(s) by whatever name called;

along with the following details pertaining to the actions(s) initiated, taken or orders passed:

- i. name of the authority;
- ii. nature and details of the action(s) taken, initiated or order(s) passed;
- iii. date of receipt of direction or order, including any ad-interim or interim orders, or any other communication from the authority;
- iv. details of the violation(s)/contravention(s) committed or alleged to be committed;
- v. impact on financial, operation or other activities of the listed entity, quantifiable in monetary terms to the extent possible.

- 21 Voluntary revision of financial statements or the report of the board of directors of the listed entity under section 131 of the Companies Act, 2013

Annexure II

Para B - Events which shall be disclosed upon application of the guidelines for materiality referred sub-regulation (4) of Regulation (30) of the Regulations.

1. Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division.
2. Any of the following events pertaining to the listed entity:
 - (a) arrangements for strategic, technical, manufacturing, or marketing tie-up; or
 - (b) adoption of new line(s) of business; or
 - (c) closure of operation of any unit, division or subsidiary (in entirety or in piecemeal)
3. Capacity addition or product launch.
4. Awarding, bagging/ receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business.
5. Agreements (viz. loan agreement(s) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof.
6. Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc.
7. Effect(s) arising out of change in the regulatory framework applicable to the listed entity.
8. Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity.
9. Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity.
10. Options to purchase securities including any ESOP/ESPS Scheme.
11. Giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party.

12. Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

13. Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.

OTHERS

Any other information/event viz. major development that is likely to affect business, e.g. emergence of new technologies, expiry of patents, any change of accounting Policy that may have a significant impact on the accounts, etc. and brief details thereof and any other information which is exclusively known to the Company which may be necessary to enable the holders of securities of the Company to appraise its position and to avoid the establishment of a false market in such securities.

Without prejudice to the generality of para (A), (B) and (C) of the Part A of the Schedule III of Regulation 30 of SEBI (LODR) Regulations 2015, the listed entity may make disclosures of event/information as specified by the Board from time to time.

Last Amended August 9, 2023.