

**TD Power Systems Limited**  
(CIN -L31103KA1999PLC025071)

REGISTERED OFFICE & FACTORY:  
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November 17, 2017

The Corporate Service  
Department  
**BSE Limited**  
P J Towers, Dalal Street  
Mumbai – 400 001

The Listing Department  
**The National Stock Exchange of India Ltd.**  
Exchange Plaza, Bandra- Kurla Complex  
Bandra (East)  
Mumbai 400 051

Sirs,

**Sub: Newspaper publication of Financial Results for the Quarter and Six months ended September 30, 2017.**

Pursuant to the Regulation 47 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 we enclosed herewith newspaper publication given in Business Standard and Kannada Prabha with respect to Financial Results of the Company for the Quarter and Six months ended September 30, 2017.

Kindly take note of the above on your record.

Thanking you,

Yours faithfully  
For **Td Power Systems Limited**

  
N. Srivatsa  
Company Secretary

Encl: as Above

quarter a year ago. Nifty companies now account for 80.1 per cent of the net profit of the entire sample up from 78.8 per cent a year.

UBS Securities said Nifty earnings and revenue growth were lower than its expectations in its report on Nifty 50 results. Nifty earnings in Q2 FY16 grew 14 per cent YoY, an impressive headline number, but a bit below our and consensus expectations.

Index companies' combined revenue

earnings on year-on-year basis. Some of the key industries to report growth in earnings include oil and gas, automobile, metal and mining, consumer durables, construction and infrastructure, aviation, gems and jewellery, chemicals and petrochemicals, among others. At the other end of the spectrum, earnings declined in sectors such as corporate banks, capital goods, telecom, power, auto ancillaries, tyres, textiles, hotels and edible oil, among others.

down from 24.9 per cent growth a year ago but a sharp turnaround from 2.1 per cent growth in earnings during the first quarter of current fiscal. Their combined net sales were up 11.7 per cent growing at the fastest pace in last three years.

As has been the case in the past few quarters, a decline in raw material cost was one of the biggest earnings drivers during the quarter.

posts in the group. Reuters has documented at least 12 cases of precent messages about major Indian companies, including Dr Reddy's, being posted in private WhatsApp groups. The posts with president numbers in the WhatsApp groups were circulated hours of days before official company statements. Reuters could not determine

The market regulator will

activities, the official said. PFI had insider information is out-awed, even if you don't mislead the information to trade on it," said Sandeep Parikh, a lawyer with Finsec Law Advisors who used to head the enforcement division of market regulator Securities and Exchange Board of India (Sebi).

## THE COMPASS

### New India, ICICI Lombard may take me to win investor faith

the general insurers are yet to report underwriting plus, dependence on investment gains to remain high

MARKET being 2017's celebrated public offerings (IPOs), Lombard and New India Finance haven't been able to attract investor interest. While former is trading around a price of 680, the latter is trading six per cent lower its issue price. Even as September quarter (Q2) is over, valuations are wor against them. Analysts at institutional Equities point that ICICI Lombard is entirely priced to perfection ignores volatility of the insurance business and stock price in competition. As for India, the life analysts verdict, though at 26 is FY18 estimated earnings valuations aren't much of a concern. Therefore, IIFM maintains market leadership in current financial year as should turn in its favour another apprehension not

ed by analysts is underwriting losses. New India and ICICI Lombard reported 627 crore and 485 crore, respectively, on this in Q2.

How much importance should investors attach to this? Underwriting income loss indicates how well an insurer prices the products, as it is a measure of net premium earned less total expenses (including claims paid out).

While life insurers have better pricing flexibility, general insurers are bound by regulatory restrictions, high cover risks and competition. For instance, motor insurance accounts for 47 per cent and 45 per cent of ICICI Lombard and New India's premiums, respectively, while health accounts for 16 per cent and 30 per cent, respectively.

In health insurance, regulations aren't stiff but competition acts as a natural cap on pricing. For motor insurance, despite recent regulatory relax-

ations, an insurer's liability (claims) can rise every year and remain significantly higher than the annual premiums collected. The good part is that claim and settlement processes have been eased. This should, over the years, lead to an improvement in underwriting income. More important, unpredictability is the nature of the game for general insurers. This keeps them in the business.

Therefore, even global leaders such as Berkshire Hathaway and AIG have had to make do with underwriting losses in the past. Hence, investors should look beyond such losses and not be deterred if general insurers make most of the money from their investment bets. Still, the road ahead looks bright for the sector, with companies working to improve on product pricing and costs. CRISIL expects domestic premium to grow more than 2.5 times to touch 12-lakh-crore by FY22.

### margin gains ahead for Bata

however, high valuations will cap upsides in near term

SHAH Bata stock declined four cent in two days after the party posted lower than expected revenue in the third quarter (Q3). While the next quarters are expected better, the high valuation meant many brokerages will pass about buying the stock at current prices.

50-bps fall in raw material costs as a percentage of sales, which came in at 44.9 per cent. The savings, however, were offset, to an extent, due to an increase in other expenses and higher employee costs. Net profit jumped 24 per cent over a year to 443 crore but was boosted by higher other income and lower interest and depreciation expenses.

In addition to the results, the near-term trigger has been the revision in GST rates for footwear, from 28 per cent to 18

per cent, which will benefit Bata and Relaxo. Analysts at Axis Capital expect the company's sales to grow 12 per cent annually during FY17-20, led by a focus on the franchisee model, improving product offering and increasing appeal to women and youth. What could be a worry is that competitors such as Mirca International (Red Tape brand) are also looking at entering the women's footwear segment from the March 2018 quarter. Nevertheless, for Bata, analysts expect margins to move up further to 14 per cent by FY20, as operating leverage kicks in, on the back of consistent growth and premium offerings. For FY18, the management expects margin at 12 per cent.

Despite expected increase in revenue and margin, analysts believe the stock, up 77 per cent over the past year, is trading at an expensive 39 times its FY19 earnings estimate. They believe it should be at 32-35 times the same

tdps

creates value

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EXTRACT OF CONSOLIDATED UNAUDITED RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30th SEPTEMBER 2017

(Rupees in Lakhs)

Particulars	3 Months Ended	Year to Date	Corresponding 3 Months ended in the previous year
	30.09.2017	30.09.2017	30.09.2016
	UNAUDITED	UNAUDITED	UNAUDITED
Total Income from Operations (net)	12,621.84	18,433.15	11,447.67
Net Profit / (Loss) for the period (before Tax, Exceptional and / or Extraordinary items #)	471.21	(1,683.50)	80.44
Net Profit / (Loss) for the period before Tax (after Exceptional and / or Extraordinary items #)	471.21	(1,683.50)	80.44
Net Profit / (Loss) for the period after Tax (after Exceptional and / or Extraordinary items #)	494.37	(1,694.67)	109.78
Total Comprehensive Income for the period (Comprising Profit / (Loss) for the period (after tax) and other Comprehensive income (after tax))	485.90	(1,621.61)	109.70
Equity Share Capital	3,323.76	3,323.76	3,323.76
Earnings Per Share (of Rs. 10/- each) (for continuing and discontinued operations)-			
a) Basic	1.48	(4.83)	0.33
b) Diluted	1.48	(4.83)	0.33
<b>Notes:</b>			
1. Standalone details			
Net Sales / Income from Operations	12,876.73	18,754.51	10,680.56
Profit Before Tax	633.25	(1,331.31)	193.05
Profit After Tax	572.06	(1,236.02)	218.15
Total Comprehensive Income for the period (Comprising Profit / (Loss) for the period (after tax) and other Comprehensive income (after tax))	683.59	(1,252.94)	217.87

2. The above is an extract of the detailed format of Financial Results for Quarter and Half year ended September 30, 2017 filed with the Stock Exchange under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The full Financial Results for Quarter and Half year ended September 30, 2017 are available on the Stock Exchange websites www.bseindia.com, www.nseindia.com & on the company's website www.tdps.co.in.

3. # Exceptional and/or Extraordinary items adjusted in the Statement of Profit and Loss in accordance with IND AS Rules.

4. The Company has adopted Indian Accounting Standards ("Ind AS") from April 1, 2017 (transition date being April 1, 2016) and accordingly, these financial results have been prepared in accordance with Companies (Indian Accounting Standards) Rules, 2015 as prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.

5. The Ind AS financial results and financial information for the quarter and half year ended September 30, 2016 have not been subjected to any limited review or audit as per exemption given in SEBI circular no. CIR/CFD/FAC/2/2016 dated 05.07.2016. However, the management has exercised necessary due diligence to ensure that the financial results provide a true and fair view of the results in accordance with IND AS. Further, pursuant to exemption available in the above said circular, the line item - "Reserves (excluding Revaluation Reserves)" as per Balance Sheet of the previous accounting year ended March 31, 2017 has not been disclosed.

6. The adoption of Ind AS has necessitated changes in the accounting, recognition and measurement criteria of various assets, liabilities and items of income and expenditure. The reconciliation of the financial results as reported under previous GAAP with those restated as per IND AS for the quarter and half year ended September 30, 2016 is as under:

Particulars	Quarter Ending 30.09.2016		Quarter and half year ended 30.09.2016	
	Standalone	Consolidated	Standalone	Consolidated
Net Profit / (Loss) after tax as per Indian GAAP	241.09	132.92	118.86	(86.69)
ADD / (LESS):				
Increase in revenue recognition as a result of Ind AS on service contract	(23.25)	(23.25)	(5.35)	(5.35)
Recognition of interest income on deferred income	0.04	0.04	0.06	0.06
Reclassification of expenses to other comprehensive income - net of tax	(0.28)	(0.08)	(0.57)	(0.16)
Other Comprehensive Income - Net of tax	0.28	0.08	0.57	0.16
Total Comprehensive Income as per IND AS	217.87	109.70	113.50	(91.98)

For & on behalf of the Board

Nikhil Kumar  
Managing Director

