

TD Power Systems Limited
(CIN -L31103KA1999PLC025071)

REGISTERED OFFICE & FACTORY:
27, 28 and 29, KIADB Industrial Area
Dabaspeta, Nelamangala Taluk
Bengaluru Rural District
Bengaluru – 562 111 India

Tel +91 80 229 95700 / 6633 7700

Fax +91 80 2773 4439 / 2299 5718

Mail tdps@tdps.co.in

www.tdps.co.in

June 04, 2020

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: Disclosure of material impact of COVID-19 pandemic on the Company as per Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020.

Pursuant to Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with SEBI circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/84 dated May 20, 2020, the disclosure of material impact of COVID-19 pandemic on the Company's operation & performance is enclosed.

Kindly take the above on record.

Thanking you,

Yours faithfully,
For TD Power Systems Limited


N. Srivatsa
Company Secretary



TD POWER SYSTEMS LIMITED**COVID 19 PANDEMIC SITUATION - Update on operations & performance****A. Impact on the business:**

Both manufacturing units of the Company were temporarily shut down from March 23 2020 following the lockdown & restrictions announced by the Central Government. The company was permitted by the Government of Karnataka to open its manufacturing units from April 21 2020 since the company had to fulfill orders for supply of emergency power generators for hospitals and Pharma companies producing COVID-19 supplies. However, due to restrictions on inter-district movement of people and non-availability of materials due to restrictions on our suppliers, operations could be commenced partially with all CoVid related safety & health protocols in place.

The lockdown has affected the sales of the company to a moderate extent during Q4 of FY20 and more severely in Q1 of 2021 since almost 6 weeks have been lost. As of date, it is expected that sales will recover substantially by the end of H1 2020. Thus no material impact is expected on our business in FY 21.

Functioning of our subsidiary companies in Europe, Turkey, USA and Japan were generally unaffected by Covid 19 or lock down.

B. Ability to maintain operations including the factories/units/office spaces functioning and closed down:

Manufacturing facilities were partially reopened on April 21 2020 after obtaining necessary approvals from the Government Authorities. With the progressive easing of the lockdown restrictions from May 3 2020 & further permissions and relaxations, it has been possible to achieve almost normal operational levels from around May 11 2020. The Company however, adopted work from home policy during the entire duration of the lockdown for the Management Staff. The incremental costs incurred by the company to adhere to the standard operating procedures notified by the Government / Authorities was not very significant.

C. Schedule, if any, for restarting the operations and steps taken to ensure smooth functioning of operations:

As stated above, operations have been resumed and the Company has been able to achieve almost normal operational levels from around May 11 2020. The Stock exchange has been informed of the resumption.

Required steps were initiated to restart operations with safety and CoVid related protocol in place including those relating to movement of work men & staff, materials & shipment of finished goods. The incremental costs incurred by the company to adhere to the standard operating procedures notified by the Government / Authorities was not very significant.

D. Estimation of the future impact of CoVID-19 on its operations:

As of date, it is expected that, sales will recover substantially by the end of H1 2020 and the impact on our business in FY21 is not expected to be material since exports contribute to majority of our sales and we do not see any material impact on demand in our international business in the short term. The company may have to resort to 3rd Shift full operations to meet the targets. However, it is expected that domestic sales will be impacted both in FY 21 and FY 22. However, we expect rapid economic recovery resulting in improvement of sales.

It is expected that the overall impact will not be severe for the company's business in FY21. The impact for FY 22 is unknown at the moment since we do not have clear visibility of the impact of COVID 19 on the business of the company on a Global basis.

E. Details of impact of CoVid on the listed entity's:

1. Capital and financial resources:

No impact on Capital. The company has no long term debt & no material impact is expected on the financials resources.

2. Profitability:

For FY 20, profitability is lower than estimated by around 15% on standalone basis. As of date, no significant impact is expected on profitability in FY 21.

3. Liquidity position:

Considering the present liquidity position of the company & its ability to raise funds if required, the company does not foresee any adverse impact on its ability to meet its liabilities as and when they fall due.

4. Ability to service debt and other financing arrangements:

The company has no long terms debt or financing arrangements.

5. Assets:

The Company does not expect incremental risk to recoverability of Assets including Receivables, inventories, investments. As of date, the management has considered the possible effects that may result from the Covid-19 pandemic on the carrying value of various assets including investments (net of impairment loss) in subsidiaries and loans to subsidiaries after taking into account various internal and external information and have concluded that they are recoverable based on the expected future performance of the Company and its subsidiaries.

6. Internal financial reporting and control:

There is no impact on internal financial controls due to prevailing Covid 19.

7. Supply chain:

There is minimum disruption in the supply chain as most of the vendors have re-started their production and are ready to meet our requirements. There has been no significant impact on the Supplies from international vendors.

8. Demand for its products/services:

As stated above, as of date, it is expected that, sales will recover substantially by the end of H1 2020. The impact on our business in FY21 is not expected to be material since exports contribute to majority of our sales and we do not see any material impact on demand in our international business in the short term.

F. Existing contracts/agreements where non-fulfillment of the obligations by any party will have significant impact on the listed entity's business:

As of date, the Company is well positioned to fulfill its obligations and accordingly does not foresee any significant impact on the business due to non-fulfillment of the obligations by any party.

G. The impact assessment of Covid-19 is a continuing process given the uncertainties associated with its nature as well as its duration and the management will continue to monitor any events / changes that may result in material changes in the update as above.

For **TD POWER SYSTEMS LIMITED,**

NIKHIL
KUMAR
Digitally signed by
NIKHIL KUMAR
Date: 2020.06.04
11:48:59 +05'30'

NIKHIL KUMAR
MANAGING DIRECTOR