

August 09, 2023

The Corporate Service
Department
BSE Limited
P J Towers, Dalal Street
Mumbai – 400 001The Listing Department
The National Stock Exchange of India Ltd.
Exchange Plaza, Bandra- Kurla Complex
Bandra (East)
Mumbai 400 051

Sirs,

Sub: Un-Audited Financial Results for the Quarter ended June 30, 2023

The Board of Directors of the Company at their meeting held today, took on record the enclosed Un-audited Financial Results (“UFR”) for the quarter ended June 30, 2023 and the Limited Review Report (“LRR”) of the Statutory Auditors thereon .The UFR along with LRR is being uploaded on your website along with this letter.

The Financial Results are available on the Company's website www.tdps.co.in. The key information on the standalone financial results are as under:

Particulars	(Rs. in Lakhs)		
	Quarter ended		Year ended
	30.06.2023 (Unaudited)	30.06.2022 (Unaudited)	31.03.2023 (Audited)
Net Sales / Income from Operations	23,028.23	19,900.78	82,148.42
Profit Before Tax	3,947.65	2,520.63	11,941.55
Profit After Tax	2,953.06	1,874.10	8,845.83
Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	2,905.81	1,936.63	8,841.80

The Board Meeting commenced at 12.15 p.m. and concluded at 1.10 p.m.

Yours faithfully,
For **TD Power Systems Limited**

Bharat Rajwani
Company Secretary

Encl.: A/a

Independent Auditor's Review Report on quarterly and year to date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors
TD Power Systems Limited.

1. We have reviewed the accompanying statement of Unaudited Standalone financial results ("the Statement") of M/s TD Power Systems Limited. ("the Company") for the quarter ended 30th June, 2023 ("the Statement") attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India ("SEBI") (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether financial statements are free of material misstatements. A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of the Branch auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder or by the Institute of Chartered Accountants of India and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended and SEBI Circular dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. Emphasis of Matter

We draw attention to Note no. 5 (a) and 5 (b) to the audited standalone financial results, which describes the basis on which the going concern assumption in the preparation of financial statements of two subsidiaries is considered appropriate and the evaluation of the carrying value of the investment in one subsidiary and that no further provision for impairment in the carrying value of the investment in that subsidiary is considered necessary by the management.

Our conclusion on the statement is not modified in respect of the above matter.

6. Other Matters

We did not review the financial results of the foreign branch in Japan considered in the unaudited standalone financial results, whose interim financial results/ information reflect total assets of Rs 4,149.03 Lakhs as at 30th June 2023 and total income of Rs. 1,553.24, net profit/(loss) after tax of Rs. 84.26 lakhs for the quarter ended 30th June, 2023. The financial results of the branch have been reviewed by the branch auditor in that country whose review report has been furnished to us, and our conclusion on the statement, to the extent they have been derived from such financial results is solely on the basis of such report of the other auditor.

Our conclusion on the statement is not modified in respect of the above matter.

For VARMA & VARMA
Chartered Accountants
FRN 004532S

ABRAHAM BABY CHERIAN
Partner
M No. 218851

Place: Bangalore
Date: 09.08.2023

ICAI UDIN- 23218851BGXHCN1153

Independent Auditor's Review Report on quarterly and year to date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors
TD Power Systems Ltd.

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results ("the Statement") of TD Power Systems Limited ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred as a "the Group"), for the quarter ended 30th June, 2023 and being submitted by the Parent pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of Statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatements. A review of interim financial statements consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the entities as mentioned below:

Name of the Entity	Relationship
D F Power Systems Private Limited, India	Wholly owned subsidiary
TD Power Systems USA Inc, United States of America	Wholly owned subsidiary
TD Power Systems Japan Limited, Japan (Refer Note 5 (c) to the Financial results)	Wholly owned subsidiary
TD Power Systems Europe GMBH, Germany	Wholly owned subsidiary
TD Power Systems Jenerator Sanayi Anonim Sirketi, Turkey	Wholly owned subsidiary

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the other auditors/firm of Chartered Accountants referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with applicable accounting standards i.e. Ind AS prescribed under Section 133 of the Act, read with relevant rules issued thereunder or by the Institute of Chartered Accountants of India and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI Circular dated July 5, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. Emphasis of Matter

We draw attention to Note no.5 (a) and (b) in the unaudited consolidated financial results, which describes the basis on which the going concern assumption in the preparation of financial information of two subsidiaries is considered appropriate. The Independent auditor of these subsidiaries has expressed material uncertainty that may cast significant doubt about the subsidiaries ability to continue as a going concern, however according to the information and explanations given to us by the Management, the financial information of these subsidiaries mentioned above are not material to the group.

Our conclusion on the statement is not modified in respect of the above matter.

7. Other Matters

- i. We did not review the financial information of the foreign branch -Japan included in the unaudited consolidated financial results whose financial information reflect total assets of Rs 4,149.03 Lakhs as at 30th June 2023 and total income of Rs. 1,553.24 Lakhs, net profit after tax of Rs. 84.26 lakhs and total comprehensive income of Rs 41.66 lakhs for the quarter ended 30th June 2023. The financial results of the branch have been reviewed by the branch auditor in that country whose review report has been furnished to us, and our conclusion on the statement, to the extent they have been derived from such financial results is solely on the basis of such report of the other auditor.
- ii. We did not review the financial results of one Indian subsidiary included in the unaudited consolidated financial results, whose interim financial results/ information reflect total revenue Rs. 1.79 Lakhs, total net profit/(loss) after tax of Rs. (1.24) Lakhs and total comprehensive income/(loss) of Rs. (1.24) Lakhs for the quarter ended 30th June 2023, as considered in the unaudited consolidated financial results. These interim financial results have been reviewed by the auditor of that company whose review report has been furnished to us by the Management and our conclusion on the statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of the other auditors and the procedures performed by us as stated in paragraph 3 above.
- iii. We did not review the financial results of four foreign subsidiaries included in the unaudited consolidated financial results, whose interim financial results/ information reflect total revenue of Rs. 2,566.76 Lakhs, total net profit/(loss) after tax of Rs. (162.68) Lakhs and total comprehensive income/(loss) of Rs. (172.55) Lakhs for the quarter ended 30th June 2023, as considered in the unaudited consolidated financial results. We are informed that audit is not mandatory in the respective Country and hence these financial results have been reviewed by an independent firm of Chartered Accountants in India, whose review

report has been furnished to us by the Management and our conclusion on the statement, in so far as it relates to the amounts and disclosures included in respect of these four foreign subsidiaries, is based solely on the reports of the Independent firm of Chartered Accountants and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the statement is not modified in respect of the above matters.

For VARMA & VARMA
Chartered Accountants
FRN 004532S

Place: Bangalore
Date : 9th August 2023

ABRAHAM BABAY CHERIAN
Partner
M No. 218851

ICAI UDIN- 23218851BGXHCO9390

TD POWER SYSTEMS LIMITED

REGISTERED OFFICE & PLANT: # 27,28 &29 KIADB INDUSTRIAL AREA, DABASPET, NELAMANGALA TALUK, BANGALORE 562 111
CIN: L31103KA1999PLC025071, E mail Id: tdps@tdps.co.in,Website: www.tdps.co.in, Tel. No.: + 91 80 22995700, Fax: + 91 80 7734439

STATEMENT OF STANDALONE/CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2023

(₹ in Lakhs)

Sl. No.	Particulars	Consolidated				Standalone			
		Quarter ended		Year ended		Quarter ended		Year ended	
		30.06.2023	31.03.2023	30.06.2022	31.03.2023	30.06.2023	31.03.2023	30.06.2022	31.03.2023
		(UNAUDITED)	(AUDITED)*	(UNAUDITED)	(AUDITED)	(UNAUDITED)	(AUDITED)*	(UNAUDITED)	(AUDITED)
		₹	₹	₹	₹	₹	₹	₹	₹
	Revenue								
I	Revenue from Operations	22,029.25	24,984.73	20,454.03	87,229.70	23,028.23	22,194.57	19,900.78	82,148.42
II	Other Income	356.30	646.77	652.87	1,975.47	616.02	520.95	684.48	2,200.22
III	Total Income (I+II)	22,385.55	25,631.50	21,106.90	89,205.17	23,644.25	22,715.52	20,585.26	84,348.64
IV	Expenses								
	Cost of materials consumed	15,101.75	15,880.61	12,987.78	56,275.02	15,047.10	15,201.30	12,878.12	54,903.34
	Purchases for spares & after market business (net of changes in inventories of stock in trade)	1,195.68	(959.24)	(265.00)	(437.22)	1,195.68	(959.24)	(265.00)	(437.22)
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	(2,224.35)	1,779.91	1,076.49	3,198.93	(841.88)	563.55	1,280.34	2,167.83
	Employee benefits expense	2,477.50	2,364.46	2,346.81	9,056.29	2,286.46	1,863.60	2,189.86	8,051.82
	Finance Costs	2.06	1.20	86.30	106.37	2.06	1.20	86.30	106.37
	Depreciation and amortisation expense	507.09	524.97	528.31	2,070.48	485.82	495.94	508.22	1,964.46
	Other expenses	1,614.71	1,577.07	1,536.42	6,115.07	1,527.03	1,511.53	1,386.79	5,599.68
	Total expenses (IV)	18,674.44	21,168.98	18,297.11	76,384.94	19,702.27	18,677.88	18,064.63	72,356.28
V	Profit before exceptional items and tax (III-IV)	3,711.11	4,462.52	2,809.79	12,820.23	3,941.98	4,037.64	2,520.63	11,992.36
VI	Exceptional items (Refer Note No.5(c), 6(a) & 6(b))	-	134.41	-	134.41	5.67	(50.81)	-	(50.81)
VII	Profit before tax (V-VI)	3,711.11	4,596.93	2,809.79	12,954.64	3,947.65	3,986.83	2,520.63	11,941.55
VIII	Tax Expenses								
	(a) Current Tax	948.03	1,105.06	703.43	3,755.76	896.89	1,043.96	688.98	3,578.07
	(b) Deferred Tax	97.70	(43.15)	(42.45)	(482.35)	97.70	(43.15)	(42.45)	(482.35)
IX	Profit for period/year (VII - VIII)	2,665.38	3,535.02	2,148.81	9,681.23	2,953.06	2,986.02	1,874.10	8,845.83
X	Other Comprehensive Income								
	Items that will not be reclassified to profit or loss								
	(i) Remeasurement of defined benefit plans	(20.54)	(62.26)	84.29	5.78	(20.54)	(62.26)	84.29	5.78
	(ii) Tax on defined benefit plans	5.17	15.67	(21.21)	(1.45)	5.17	15.67	(21.21)	(1.45)
	Items that will be reclassified to profit or loss								
	(i) Exchange difference on translation of foreign operations	(52.47)	(25.24)	(170.82)	(234.56)	(42.60)	(35.42)	(0.74)	(11.17)
	(ii) Tax on exchange difference on translation of foreign operations	10.72	2.81	0.19	2.81	10.72	2.81	0.19	2.81
XI	Total Comprehensive Income for the period/year (IX+X) (Comprising Profit and Other Comprehensive Income for the period/year)	2,608.26	3,466.00	2,041.26	9,453.81	2,905.81	2,906.82	1,936.63	8,841.80
	Details of equity share capital:								
XII	Paid-up equity share capital (Face value of ₹.2/- per share) (Refer Note No.9)	3,123.40	3,120.85	3,112.57	3,120.85	3,123.40	3,120.85	3,112.57	3,120.85
XIII	Reserves (excluding Revaluation reserve)	-	-	-	57,331.12	-	-	-	56,268.40
XIV	Earnings per equity share of ₹.2/- each (Refer Note No.9)								
	Basic (in ₹)	1.71	2.27	1.39	6.23	1.89	1.92	1.21	5.70
	Diluted (in ₹)	1.71	2.27	1.38	6.22	1.89	1.91	1.20	5.68

* Refer Note No.2

TD POWER SYSTEMS LIMITED

REGISTERED OFFICE & PLANT: # 27,28 &29 KIADB INDUSTRIAL AREA, DABASPET, NELAMANGALA TALUK, BANGALORE 562 111
CIN: L31103KA1999PLC025071, E mail Id: tdps@tdps.co.in,Website: www.tdps.co.in, Tel. No.: + 91 80 22995700, Fax: + 91 80 7734439

**STATEMENT OF STANDALONE/CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2023
UNAUDITED SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED**

(₹ in Lakhs)

Particulars	Consolidated				Standalone			
	Quarter ended		Year ended		Quarter ended		Year ended	
	30.06.2023	31.03.2023	30.06.2022	31.03.2023	30.06.2023	31.03.2023	30.06.2022	31.03.2023
	(UNAUDITED)	(AUDITED)*	(UNAUDITED)	(AUDITED)	(UNAUDITED)	(AUDITED)*	(UNAUDITED)	(AUDITED)
	₹	₹	₹	₹	₹	₹	₹	₹
1 Segment Revenue (net sale/income from each segment should be disclosed)								
(a) Manufacturing	25,713.49	30,549.15	24,777.84	1,01,662.02	23,161.57	24,552.36	20,209.92	84,907.74
(b) Engineering, procurement and construction (EPC)	-	-	-	-	-	-	-	-
Total segment revenue	25,713.49	30,549.15	24,777.84	1,01,662.02	23,161.57	24,552.36	20,209.92	84,907.74
Less: Inter Segment Revenue	133.34	2,357.79	309.14	2,759.32	133.34	2,357.79	309.14	2,759.32
Less: Inter Company Revenue	3,550.90	3,206.63	4,014.67	11,673.00	-	-	-	-
Revenue from operations	22,029.25	24,984.73	20,454.03	87,229.70	23,028.23	22,194.57	19,900.78	82,148.42
2 Segment Results: (Profit)(+)/ Loss (-) before tax and interest from each segment)								
(a) Manufacturing	4,223.06	4,290.99	3,103.07	13,741.08	4,223.06	4,290.99	3,103.07	13,741.08
(a1) Less : Inter Segment/Company	214.03	(455.17)	(312.34)	(941.05)	-	-	-	-
(b) Engineering, procurement and construction (EPC)	(3.03)	(2.63)	(3.09)	(11.20)	-	-	-	-
Less: Depreciation	507.09	524.97	528.31	2,070.48	485.82	495.94	508.22	1,964.46
	3,498.91	4,218.56	2,884.01	12,600.45	3,737.24	3,795.05	2,594.85	11,776.62
Less:(i) Finance cost	2.06	1.20	86.30	106.37	2.06	1.20	86.30	106.37
(ii) Other unallocable expenditure net off unallocable income (including exceptional item)	(214.26)	(379.57)	(12.08)	(460.56)	(212.47)	(192.98)	(12.08)	(271.30)
Profit before Tax	3,711.11	4,596.93	2,809.79	12,954.64	3,947.65	3,986.83	2,520.63	11,941.55
3 Capital Employed = Segment Assets - Segment liabilities								
Segment Asset								
(a) Manufacturing	81,015.22	75,661.14	70,929.28	75,661.14	75,058.83	69,531.97	65,652.16	69,531.97
(b) Engineering, procurement and construction (EPC)	-	0.40	0.70	0.40	-	-	-	-
(c) Un-allocable Segment	17,851.23	14,659.70	16,967.77	14,659.70	20,657.80	17,465.76	19,915.38	17,465.76
	98,866.45	90,321.24	87,897.75	90,321.24	95,716.63	86,997.73	85,567.54	86,997.73
Segment Liabilities								
(a) Manufacturing	35,373.76	29,558.05	26,706.17	29,558.05	32,990.79	27,298.61	24,972.55	27,298.61
(b) Engineering, procurement and construction (EPC)	0.56	0.34	17.25	0.34	-	-	-	-
(c) Un-allocable Segment	408.63	310.88	6,406.27	310.88	407.51	309.87	6,382.27	309.87
	35,782.95	29,869.27	33,129.69	29,869.27	33,398.30	27,608.48	31,354.82	27,608.48

Note:- In Accordance with IND AS 108 - "Operating Segments", the above segments reported are based on the review of the Chief Operating Decision Maker.

The "Project Business" segment does not meet the reportable quantitative thresholds as per Ind AS 108 "Operating Segments", accordingly, the previous period amounts have been aggregated with the "Manufacturing Segment".

* Refer Note No.2

TD POWER SYSTEMS LIMITED
NOTES TO FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2023

Notes:

- 1 The Financial results have been prepared in accordance with the Ind AS notified under the Companies (Indian Accounting Standard) Rules, 2015. The above financial results have been recommended by the Audit committee and approved by the Board of Directors at their respective meetings held on 9th August 2023.
- 2 The Ind AS financial results and financial information for the quarter ended March 31, 2023 is the balancing figure between audited figures in respect of the full year and published unaudited year to date figures upto the third quarter, which were subject to the limited review by the auditors.
- 3 The consolidated financial results relate to TDPS Group. The Group consists of TD Power Systems Limited and its wholly owned Indian and Overseas subsidiaries as follows:

D F Power Systems Private Limited, India

TD Power Systems USA Inc, United States of America

TD Power Systems Japan Limited, Japan (refer note 5 (c) below)

TD Power Systems Europe GMBH, Germany

TD Power Systems Jenerator Sanayi Anonim Sirketi, Turkey

- 4 During the quarter ended 30th September 2019, the Company has implemented TDPSL Equity Based Compensation Plan 2019, ("Plan") through employee welfare trust after obtaining necessary approvals as per provision of the Companies Act, 2013. The employee cost on account of Employee Stock Options and Employee Stock Appreciation Rights granted as per the plan has been accounted for in the Statement of Profit & Loss and the cost of shares acquired for the purpose of the Plan has been included under Other Equity.

During the period ended 30th June 2023 (PY: 31st March 2023), 1,27,466 (PY: 1,05,029) Equity Shares of face value of ₹ 2 each (previously ₹ 10 each) were issued & allotted to the TDPSL Employee Welfare Trust (Trust) in respect of the exercise of 1,37,518 (PY: 93,403) ESARs by grantees. Consequently, the paid up capital of the Company as at June 30, 2023 stands at ₹ 3,123.40 Lakhs (PY: ₹ 3,120.85 Lakhs) comprising 15,61,70,101 (PY: 15,60,42,635) Equity Shares of ₹2/-each. As per the TDPSL Equity Based Compensation Plan 2019, the said shares were transferred by the Trust to the ESAR Grantees in settlement of the ESAR'S Exercised.

During the period ended 30th June 2023 (PY: 31st March 2023), NIL (PY: 1,87,961) ESOPs of face value of ₹ 2 each (previously ₹ 10 each) were vested and 30,813 (PY: 1,57,148) options were exercised at an exercise price of ₹67.25 against which 30,813 (PY: 1,57,148) Equity shares of the Company were transferred to the ESOP grantees by TDPSL Employee Welfare Trust. ₹ 20.72 lakhs (PY: ₹105.68 lakhs) was received from the ESOP grantees upon the Exercise of ESOPs.

- 5(a) The net worth of the Indian Subsidiary Company continues to be positive owing to substantial reduction of accumulated losses. The Company is awaiting improvement in market conditions which is gradually recovering due to the receding pandemic to evaluate opportunities from time to time with required support from the parent Company. Based on an assessment of risk of claims & counter claims which the Company will have against Creditors for supply of project related equipment, as well as project cancellation, appropriate write backs have been accounted in respect of these creditors in financial year 2022-2023 amounting to ₹ 62.78 lakhs (PY: ₹757.72 lakhs) and earlier year, resulting in the Company's Net worth turning positive. Accordingly, the financial statements of the Indian subsidiary continue to be prepared on a going concern basis which is considered appropriate by the management of that Company.
- (b) The overseas subsidiary in USA has accumulated losses exceeding its share capital and has eroded its networth as at the end of the reporting period. The subsidiary has shown significant improvement in revenue and profits over the last 2 years. Though, the accumulated losses exceed its share capital as at the end of the reporting period, the improved operating performance is enabling the reduction of the accumulated losses and the subsidiary is heading towards a positive net worth . Though the subsidiary's liabilities exceed its total assets by ₹ 598.87 (As at 31st March 2023: ₹ 537.36 lakhs), a substantial portion of the liabilities is loan from the Holding company against which repayments to the tune of ₹ 62.33 lakhs (PY: ₹ 237.79 lakhs) have been made which reflects improvement of its cash flows. Thus, the subsidiary is able to sustain its operating requirements as well as partially repay the holding company loans. The Holding company is however renewing the loans on timely basis reflecting its resolve to support the subsidiary and grow the market. Further, the holding company is authorised by its Board to infuse further funds as and when required. Considering the above factors, the management is of the opinion that the going concern assumption in preparation of the financial statements of subsidiary is appropriate.

TD POWER SYSTEMS LIMITED

NOTES TO FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2023

- (c) The required procedure for voluntary liquidation having been complied with the applicable law/regulation in Japan, TD Power System Japan Ltd, a wholly owned subsidiary of the Company, has been voluntarily liquidated and ceased to be in existence with effect from June 26, 2023 in terms of the closed registration certificate from the Tokyo Legal Affairs Bureau. JPY 9.93 lakhs (equivalent to ₹ 5.67 lakhs) being the value residual assets has been remitted to the Company towards repayment of Share Capital (held as Investment in the Company). Since the Company has made provision for diminution in the value of investment during the quarter & financial year ended March 31, 2023, this repayment is reported under "Exceptional Items" in the standalone financial results and the remaining investment value of ₹ 116.77 lakh. has been written off during the period.

The aforesaid liquidation will have no material impact on the financial results of the Company. Further the aforesaid wholly owned subsidiary is not a material subsidiary in terms of Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended.

- 6 (a) During the year ended 31st March 2023, the Company sold unutilised land measuring 4 acre and 31 Guntas situated at Pemmanahalli village, Sompura Hobli, Nelamangala Taluk, Bangalore Rural District ₹ 429.75 Lakhs . The net profit of ₹ 71.63 lakhs arising from the sale of said land after considering the carrying cost of land of ₹ 323.62 lakhs and the estimated cost of development of ₹ 34.50 lakhs, has been included under exceptional item. The formalities relating to execution and registration of the sale deed was completed during that quarter.
- 6 (b) During the year ended 31st March 2023, the Indian Subsidiary has written back creditors and payables amounting to ₹62.78 lakhs (PY: ₹ 757.72 lakhs) due to liquidated damages against project supplies, counter claims in respect of performance guarantees and amount unclaimed, this has been included under the exceptional items in the consolidated financial statements.
- 7 The results for the quarter includes foreign exchange translation loss of ₹. 259.87 Lakhs due to sharp depreciation of Turkish Lira (TL) vis a vis Indian Rupee (INR) from ₹ 4.30 as on 31st March 2023 to ₹ 3.15 as at 30th June 2023, i.e a drop of 27%.
- 8 The Company also has been made a party in a Writ petition W.P No. 14578 of 2023(Writ Petition) filed before the Hon'ble High Court of Karnataka by Mr Vijay Kirloskar & Others (Plaintiffs) against Mohib Khericha & others.

An interim order has been granted by the Hon'ble High Court on July 12 2023 restraining the transfer / alienation/transferring / encumbering/ dealing with and/ or creating any third party rights whatsoever in respect of a certain 2,51,32,165 shares(referred to as suit scheduled shares) of the Company till the next date of hearing . The Company has been served with notice of the said Petition on August 7 2023. The next date of hearing is August 9 2023.

Further the Company has also been made a party & since been served with suit summons in an Original Suit, Comm. O.S. No. 336 / 2023(Original Suit) filed before the Commercial Court, Bengaluru Rural, and the aforesaid Writ petition arises from the said Suit and the parties in the said Writ petition are the same as the parties to the Suit. The next date of hearing in the Suit is August 21 2023.

The Company is advised that no relief has been claimed against the Company in the Suit, from which the aforesaid Writ petition and aforesaid interim order arise.

Neither the Writ Petition nor the Original suit, being a dispute between a third party and certain Promoter Shareholders of the Company nor the Interim order arising out of the Writ Petition have any material impact on the financial results of the Company.

TD POWER SYSTEMS LIMITED

NOTES TO FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2023

9 At the Annual general Meeting(AGM) of the members of the Company held on September 27 2022, the shareholders of the Company approved sub-division of the existing Equity Shares of the Company having face value of ₹.10 each into 5 Equity Shares of ₹.2 each on the date to be determined by the Board of Directors. Consequent changes to the Capital Clause of the Memorandum and Articles Of Association of the Company were also approved at the said AGM. Based on a record date set as November 1 2022, the required corporate action giving effect to the aforesaid sub division of the shares has been completed as of date. Accordingly, the Authorised & Paid up capital of the Company stands at Rs. 35,00,00,000 comprising of 17,50,00,000 Equity Shares of Rs 2/- each & ₹.31,20,85,270 comprising of 15,60,42,635 equity shares of ₹.2/-each respectively. As per the requirements of IND AS 33, the Earnings per share presented for all the periods in these results is after considering the said sub-division of equity shares.

10 Segment wise Revenue, Results, assets and liabilities are stated separately.

For TD Power Systems Limited

Place: Frankfurt

Date: 9th August 2023

Nikhil Kumar
Managing Director