



BSE Limited  
Phiroze Jeejeebhoy Towers  
Dalal Street  
Mumbai - 400 001

2<sup>nd</sup> November, 2016

**Scrip Code - 532513**

Dear Sirs,

TVS Electronics Limited has reported a revenue of Rs.722.16 Cr for the quarter ended 30<sup>th</sup> September 2016 (Rs.193.19 Cr in the corresponding quarter ended 30<sup>th</sup> September 2015) consisting of:

- a. IT products and Technical Services - Rs.74.84 Cr (Rs. 78.76 Cr same quarter last year)
- b. Distribution Business - Rs.647.32 Cr (Rs.113.71 Cr same quarter last year)

The profit from ordinary activities before tax was Rs 2.25 Cr for the quarter ended 30<sup>th</sup> September, 2016 (as against the profit of Rs.1.73 Cr during the corresponding quarter, last year).

1. It may be recalled that in April 2015 the Company entered a new segment of business of distribution of some international brands of mobile phones. This business is inherently a high volume, high value business with low net margins. This new Distribution business segment offers the Company opportunities in providing Technical Services to newer categories and brands. Hence the Company believes that despite the low margin nature of the Distribution Business, it can be a strategic longer term opportunity for its other offerings. The seemingly large jump in revenues in the Distribution Business vis-à-vis last year should be evaluated in this context. Periodic comparison of financial parameters of the company may be skewed due to the nature of the Distribution Business.
2. The products business segment of the Company, as a strategy, has shifted to Point-of-Sale products, in line with changing market conditions. The Company has been successfully able to offset the decline in Dot Matrix Printer market with POS products.
3. The Company is also expanding its retail foray by opening more walk-in repair stores. The company has 65 such stores as of September 2016 as against 30 stores at the end of September 2015. The Company believes these stores will turn profitable as call volumes grow.
4. One of the Company's larger clients, an international mobile manufacturer terminated its Indian operations last year. This has affected the performance of the Company.

Your sincerely,

For TVS Electronics Ltd

  
Chairman

**TVS Electronics Limited**

South Phase 7A, Second Floor, Industrial Estates, Guindy, Chennai-600 032. Tel.: + 91-44-4200 5200 Fax : +91(44)2225 7577

Registered Office: Jayalakshmi Estate, New No.29, (Old No.8), Haddows Road, Chennai- 600 006.

Corporate Identity Number : L30007TN1995PLC032941

E-mail id : webmaster@tvs-e.in Website: www.tvs-e.in



National Stock Exchange of India Limited  
Exchange Plaza, 5<sup>th</sup> Floor  
C - 1, Block G, Bandra - Kurla Complex  
Bandra - (E), Mumbai - 400 051

2<sup>nd</sup> November, 2016

**Scrip Symbol - TVSELECT**

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