TD Power Systems Ltd

NSE: TDPOWERSYS | India's Premier AC Generator Manufacturer | 1–52 MW Range | 75% Export-Oriented Order Book | Data Centre & Gas Turbine Tailwind

ACCUMULATE

CMP	MARKET CAP	52W RANGE	P/E FY26E	FY25 REVENUE	FY25 PAT
₹868	₹13,567 Cr	₹293–933	~62x	₹1,279 Cr	₹175 Cr
NSE (Mar 2026)	Mid-Cap	+197% from 52W low	FY27E ~48x	+28% YoY	+48% YoY

FY26E REVENUE	ORDER BOOK	ROE / ROCE	PROMOTER	DEBT	ENTRY ZONE
₹1,800 Cr	₹1,845 Cr	22% / 30%	26.87%	~₹12 Cr	₹760–840
Mgmt Guidance	+₹334 Cr Railway	Asset-light model	⚠ Declining trend	Near debt-free	On pullback

PART A — FUNDAMENTAL ANALYSIS

Business model, financials, valuation, risks and growth catalysts

A1

Company Overview & Value Chain Position

TD Power Systems Ltd (TDPS), incorporated in 1999 and listed on NSE (TDPOWERSYS), is **India's leading manufacturer of AC Generators** for large power generation applications. Products range from 1 MW to 52 MW, serving prime movers including steam turbines, gas turbines, hydro turbines, wind turbines, diesel engines, and gas engines. The company also provides EPC services for boiler-turbine-generator (BTG) island projects up to 150 MW.

🏭 Value Chain Positioning

TDPS occupies the mission-critical *generator/alternator* position in the power generation value chain. While turbines generate mechanical energy, the AC generator (alternator) converts it to electrical energy — a high-complexity, high-precision component. TDPS competes with Siemens Energy, GE Vernova, and domestic peers on technology quality while offering superior cost competitiveness and faster delivery timelines.

AC Generators 1–52 MW | Steam Turbine Gensets | Gas Turbine Gensets | Hydro Generators | Wind Generators | EPC / BTG Island | Railway Traction | 2-Pole Motors (FY28)

PARAMETER	DETAILS
Founded	1999 | Bangalore, Karnataka
Listed (NSE)	TDPOWERSYS
Market Cap	₹13,567 Cr (~$1.6B USD)
Employees	~1,000+
Manufacturing Plants	2 operational + Plant 3 (Dec 2025)
Export Reach	100+ countries
Export % of Orders	~75% of pending order book
Key Segments	Manufacturing (96%), Projects/EPC (4%)
Revenue FY25	₹1,279 Cr (+28% YoY)
Revenue CAGR 5-Yr	~20%
PAT CAGR 5-Yr	~56%

A2

Capabilities, Technology & Strategic Direction

TDPS possesses proprietary generator design capabilities validated across global installations. The company manufactures customised, engineered-to-order generators — a significant competitive moat requiring deep electrical and mechanical engineering expertise, long lead times for certification, and established reference lists.

- **Custom Design:** Each generator is engineered to customer specs (turbine OEM interface, voltage class, frequency, cooling)
- **Technology JVs:** Design certifications and technical tie-ups with global OEMs enhance product credibility in export markets
- **Plant 3 (Dobbaspet, Bangalore):** Third facility commenced Dec 2025; ramp to ₹550–575 Cr/Q in Q4 FY26, ₹600 Cr/Q from Q1 FY27
- **2-Pole Generators & Motors:** Strategic initiative for FY28+ targeting higher-speed, data centre and industrial motor markets

⚡ Strategic Inflection Points

- **Data Centre Power:** Hyperscaler DCs require large gas turbine/engine generator sets for backup and baseload — driving record gas turbine/engine orders at TDPS
- **Gas-for-Grid:** Grid stabilisation demand across Middle East, Turkey, and SE Asia using gas engines + generators
- **Energy Transition:** Hydro and small wind power projects globally; TDPS captures the generator portion
- **India Railways:** Locomotive and EMU traction alternators — total addressable ₹3,000+ Cr pipeline

🌍 Export Strategy

- **Lean Manufacturing & Automation:** Active investment to improve per-unit margins and delivery cycles
- **Railway Traction:** ₹334 Cr orders in final testing phase with Indian Railways — a nascent but structurally large opportunity

Exports and deemed exports (excluding traction) are ~61% of revenue. Key geographies: Turkey (large installed base), Middle East, Africa, SE Asia, Americas. Export order book is ~75% of the total ₹1,845 Cr manufacturing backlog — positioning TDPS as an India-based global power infrastructure supplier.

A3

Market Opportunity & TAM

🌐 Global AC Generator Market

The global AC generator (alternator for turbines) market is valued at ~$10–12B and growing at 6–8% CAGR, driven by new power plants, energy transition projects, and DC data centre buildout. TDPS addresses the 1–52 MW segment targeting industrial and utility-scale generation.

🏢 Data Centre Power Demand

Global DC CAPEX is projected at $400B+ in 2025–2030. Each hyperscale DC requires 50–500 MW of generation capacity. Gas turbine generators are the preferred backup and baseload solution. India, Middle East, and SE Asia are the fastest-growing DC deployment regions — core TDPS export markets.

🇮🇳 India Railways TAM

Indian Railways is electrifying its fleet (~12,000 locomotives targeted). Locomotive traction alternators of ₹8–15 Cr per unit represent a ₹10,000–18,000 Cr cumulative opportunity. TDPS has ₹334 Cr of confirmed railway orders and is in the qualification pipeline for larger traction contracts.

📊 Why TDPS Wins Globally

India-based manufacturing offers 20–35% cost advantage vs European peers (Siemens, ABB). TDPS is among only 4–5 global manufacturers capable of custom-engineering large AC generators for turbines, making it a preferred source for cost-conscious project developers worldwide. The China+1 dynamic further channels orders from TDPS as European projects avoid Chinese suppliers post-geopolitical shifts.

A4

Operations, Capacity & Order Book

METRIC	VALUE
Manufacturing Order Book	₹1,845 Cr (Dec 2024)
Railway Segment Orders	₹334 Cr (3-year execution)
Q3 FY26 Order Inflow	₹656 Cr (+61% YoY — RECORD)
9M FY26 Order Inflow	~₹1,600 Cr+ (est.)
Export % of Order Book	~75%
Plant 1 + 2 Capacity	₹350–400 Cr/quarter
Plant 3 Target	₹550–575 Cr/quarter (Q4 FY26)
Full Capacity (FY27)	₹600 Cr/quarter (~₹2,400 Cr annualised)
Key Geographies	Turkey, Middle East, Africa, SE Asia, Americas
Q3 FY26 Revenue	₹452 Cr (+29% YoY)

🏗 Plant 3 — Critical Capacity Unlock

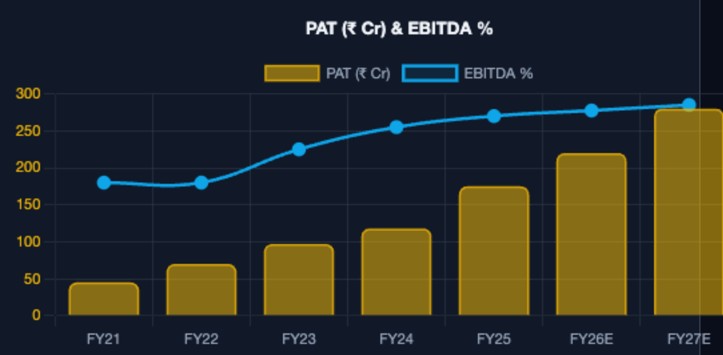
- **Location:** Dobbaspet, Bengaluru (near existing plants)
- **Commenced:** December 2025
- **Ramp:** ₹400 Cr → ₹550 Cr/Q in Q4 FY26 → ₹600 Cr from Q1 FY27
- **Impact:** Capacity doubles from ₹1,400 Cr to ₹2,400 Cr annual run-rate
- **Capex funded from internal accruals** — near zero debt maintained

📋 Segment Mix (FY25 approx.)

- **Gas Turbine Generators:** ~40% (fastest growing — DC + grid)
- **Steam Turbine Generators:** ~30% (captive power, thermal)
- **Hydro Generators:** ~15% (energy transition)
- **Wind + Gas Engine:** ~10% (diversification)
- **EPC/Projects + Railway:** ~5% (growing segment)

A5

Financial Performance — Trailing & Forward



METRIC	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E
Revenue (₹ Cr)	594	797	872	1,001	1,279	1,800	2,200+
YoY Growth	+15%	+34%	+9%	+15%	+28%	+41%	+22%
EBITDA (₹ Cr)	71	96	130	170	230	333	418
EBITDA Margin	**12%**	**12%**	**15%**	**17%**	**18%**	**18.5%**	**19%**
PAT (₹ Cr)	45	70	97	118	175	220	280
PAT Margin	7.6%	8.8%	11.1%	11.8%	13.7%	12.2%	12.7%
EPS (₹)	2.92	4.53	6.20	7.58	11.18	~14.1	~17.9
ROE	8%	13%	18%	19%	22%	24%	26%

📊 **Q3 FY26 & 9M FY26 Highlights**

- **Q3 FY26 Revenue:** ₹452 Cr (+29% YoY) — quarterly record
- **Q3 FY26 EBITDA:** ₹82.6 Cr (18.6% margin, vs 17.6% Q3 FY25)
- **Q3 FY26 PAT:** ₹60 Cr (+35% YoY vs ₹44.3 Cr)
- **9M FY26 Revenue (Consol):** ₹1,280 Cr (+36% YoY) | PAT ₹166 Cr (+37%)
- **Cash position:** ₹193 Cr | FX tailwinds supporting margins positively

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Regulatory, Policy & Geopolitical Landscape

- **India Power Policy (NIP):** ₹9.15L Cr National Infrastructure Pipeline for power sector — TDPS benefits indirectly through domestic hydro and thermal generator demand
- **Gas Infrastructure:** India's city gas distribution (CGD) + GAIL pipeline expansions support gas engine/turbine adoption — TDPS generator demand beneficiary
- **Railways Electrification:** IR's mission to electrify 100% of broad-gauge network — TDPS traction alternator opportunity; ₹334 Cr orders confirmed
- **Renewable Energy (500 GW by 2030):** Small hydro (~25 GW target) and wind generator demand upside for TDPS hydro/wind segment
- **PLI for Specialised Equipment:** TDPS may benefit from PLI incentives for power equipment manufacturing
- **Turkey/Middle East Geopolitics:** Turkey (a large TDPS customer base) is geopolitically sensitive but has been a growth market. Gulf Cooperation Council infrastructure build-out supports gas turbine generator demand
- **China+1 Tailwind:** Global project developers/EPCs shifting away from Chinese generator suppliers post-geopolitical tensions — TDPS direct beneficiary in international tenders
- **US Data Centres:** Hyperscaler US DC expansion (Meta, Microsoft, Google, Amazon) drives gas turbine backup power orders routed through TDPS's global customer base
- **Carbon Transition Risk:** Long-term risk as fossil fuel power generation (steam, gas) declines. Mitigated by diversification into hydro, wind, and railway/industrial

A7

Management Commentary & Concall Insights — Q3 FY26

💬 **Key Q3 FY26 Concall Highlights**

- **Record Order Inflow:** Q3 FY26 order inflow ₹656 Cr (+61% YoY) — "best quarterly orders in company history"
- **DC-Driven Demand:** "Strong market conditions across all segments, particularly gas turbines and gas engines, driven by data centres and grid stabilisation"
- **FY27 Guidance:** Revenue target >₹2,200 Cr — management called this "conservative"
- **Q4 FY26 Ramp:** Plant 3 to add ₹150–175 Cr revenue in Q4 FY26 → quarterly output ₹550–575 Cr
- **FY28+ Vision:** 2-pole generators and motors for higher-frequency industrial and DC cooling applications
- **Export Visibility:** 75% of ₹1,845 Cr order book is export — FX tailwinds positively impacting margins

📈 **Strategic Comments**

- **Railway:** ₹334 Cr confirmed; management expects traction business to "increase by ₹100 Cr over next 2 years" with new tenders
- **Margins:** EBITDA margin improvement from 7% (FY20) to 18%+ (FY25-26) driven by operating leverage, mix improvement (high-value exports), and automation investments
- **Capacity Funding:** All three plants funded from internal accruals — no equity dilution, no leveraged balance sheet
- **Competition:** Global peers (Siemens Energy, GE Vernova, BHEL) cannot match TDPS cost competitiveness; domestic peers lack export certifications and reference lists
- **Promoter Stake:** 26.87% (down from 31.6% three years ago) — management clarified creeping decline is ESOP-related, not strategic exit

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Balance Sheet Quality & Fraud Filter

BS METRIC	FY25 / LATEST
Total Debt	**~₹12 Cr (near zero)**
Cash & Equivalents	~₹193 Cr
Net Cash Position	+₹181 Cr (net cash)
Total Equity	₹860 Cr
Book Value/Share	₹61.5
P/B Ratio	~14x (premium justified by ROCE)
ROCE	30.4%
Promoter Pledge	NIL
Receivables Cycle	~90-110 days (B2B custom orders — normal)
OCF vs PAT Trend	OCF tracking PAT (FY25 OCF ~₹150–165 Cr)

FRAUD FILTER CHECKLIST

OCF ≥ PAT?	✓ **Yes — healthy cash conversion**
Promoter Pledge	✓ **Zero pledge**
Debt / Equity	✓ **0.01x (negligible)**
Related Party Transactions	✓ **No material RPTs flagged**
Auditor Quality	✓ **Big-4 / Reputed firm**
Revenue Concentration	⚠ **Some customer concentration**
Promoter Holding Trend	⚠ **Declining 31.6% → 26.87%**
Working Capital Trend	✓ **Stable — improving inventory turns**

OVERALL: CLEAN

Balance sheet is fortress-quality. Main watch items: declining promoter stake (management attributes to ESOP dilution) and receivables cycle (long but normal for B2B custom manufacturing).

A9

P&L Deep Dive — Margin Expansion Story

METRIC	FY22	FY23	FY24	FY25	FY26E
Revenue (₹Cr)	797	872	1,001	1,279	1,800
Gross Margin	~32%	~36%	~38%	~40%	~41%
EBITDA Margin	**12%**	**15%**	**17%**	**18%**	**18.5%**
D&A (₹Cr)	~15	~17	~20	~24	~35
Interest Cost	~2	~2	~2	~2	~2
Tax Rate	~26%	~26%	~26%	~26%	~26%
PAT (₹Cr)	70	97	118	175	220
EPS (₹)	4.53	6.20	7.58	11.18	~14.1

📈 **Structural Margin Drivers**

- **Operating Leverage:** Fixed cost dilution as revenue scales from ₹800 Cr to ₹1,800+ Cr — direct EBITDA margin accretion
- **Mix Improvement:** Higher-margin gas turbine and export products growing faster than lower-margin steam domestic segment
- **FX Tailwind:** USD/INR depreciation directly boosts export revenue realisation (~75% order book in USD)
- **Automation Capex:** Ongoing investment in lean manufacturing to reduce per-unit labour cost
- **Railway Margin:** Traction alternators command premium pricing vs standard generator products — accretive to blended margins
- **Target Margin FY27E:** ~19%+ EBITDA as Plant 3 reaches operating efficiency

A10

Valuation Matrix

METRIC	FY25 (TTM)	FY26E	FY27E
EPS (₹)	11.18	~14.1	~17.9
P/E (at ₹868)	**77.6x**	**~61.6x**	**~48.5x**
EBITDA (₹Cr)	~230	~333	~418
EV/EBITDA (at ₹868)	~58x	~40x	~32x
Revenue (₹Cr)	1,279	1,800	2,200
P/Sales	10.6x	7.5x	6.2x
ROE	22%	~24%	~26%
ROCE	30.4%	~32%	~34%

🎯 **Valuation Framework**

- **FY27E Bull Case (65x P/E):** ₹17.9 × 65 = ₹1,164
- **FY27E Base Case (55x P/E):** ₹17.9 × 55 = ₹985
- **FY27E Bear Case (45x P/E):** ₹17.9 × 45 = ₹806
- **FY28E Target (50x P/E, PAT ₹345 Cr):** EPS ~₹22 × 50 = ₹1,100+

⚠ **Valuation Caution**

At ₹868, the stock trades at 62x FY26E — a premium typically reserved for 35%+ EPS CAGR companies. TDPS's 3-year EPS CAGR is >50% — justifying premium. However, post-49% monthly run, near-term consolidation is likely. Entry at pullback levels (₹760–840) offers materially better R:R. Key re-rating catalysts are FY27 revenue achievement and railway order conversions.

Analyst Consensus Target: **₹895–₹1,000** (MarketsMojo, IndiaBulls, multiple)

Stock 1-Year Return: **+191%** | 1-Month: **+49%**

A11

Management Quality Assessment

Capital Alloc	4.4/5
Execution	4.3/5
Transparency	4.0/5
Promoter Skin	3.0/5
Vision	4.3/5

Overall: 4.0 / 5.0

Strong execution with near debt-free expansion. Watch promoter stake decline.

- **Debt-Free Expansion:** All three plants funded from internal accruals — exemplary capital allocation discipline
- **Guidance Track Record:** FY26 guidance of ₹1,800 Cr seems achievable (9M already ₹1,194 Cr standalone); management history of meeting/exceeding guidance
- **No Related Party Issues:** Clean RPT record; no complex holding structures
- **Promoter Concern:** Stake declining from 31.6% to 26.87% over 3 years. Management attributes to ESOP dilution but warrants monitoring. A promoter holding below 25% could trigger governance concerns
- **Institutional Confidence:** FII + DII = ~47% combined holding — strong institutional endorsement
- **Long-Term Vision:** 2-pole generator/motor strategy for FY28+ shows forward-thinking product development

A12

Risk Matrix

RISK	CATEGORY	IMPACT	PROBABILITY	MITIGATION
Promoter stake decline below 25%	Governance	HIGH	Medium	Monitor quarterly; ESOP dilution explanation plausible
Order book concentration in gas turbine DC segment	Business	HIGH	Medium	Rail, hydro diversification; global geography spread
Plant 3 ramp delay or quality issues	Execution	HIGH	Low-Medium	Same mgmt team, proven process; Plant 3 Dec 2025 on track
US tariffs/geopolitics disrupting Turkey/ME orders	Macro	MEDIUM	Low-Medium	Geographically diversified export book; 100+ country reach
FX risk — INR appreciation vs USD	Currency	MEDIUM	Low	Natural hedge via imported materials; structural INR weakness expected
Competition from BHEL in domestic hydro/thermal	Competition	MEDIUM	Low	TDPS export focus reduces domestic competitive intensity
Energy transition risk — long-term gas/steam decline	Secular	LOW-MEDIUM	Low (5+ yr)	DC backup power + hydro/wind + railway offset fossil fuel decline
Valuation re-rating if growth slows	Valuation	HIGH	Medium	Entry at pullback zone reduces re-rating risk materially

A13

Catalyst Timeline

Q4 FY26 Apr 2026	**Plant 3 Full Ramp:** Quarterly output targets ₹550–575 Cr vs ₹452 Cr in Q3 — first full quarter of Plant 3 contribution. Revenue run-rate confirmation of FY26 ₹1,800 Cr guidance.
Q4 FY26 May 2026	**FY26 Annual Results:** Revenue ₹1,700–1,800 Cr expected. PAT ₹210–230 Cr. Concall guidance update for FY27 ₹2,200+ Cr will be key re-rating trigger if confirmed.
FY27 Q1-Q2	**₹600 Cr Quarterly Run-Rate:** Plant 3 optimises to full capacity — sets up FY27 ₹2,400 Cr annualised run rate; at 55x FY27E EPS of ₹17.9 = ₹985+ target. Strong institutional accumulation expected.
FY27 H1	**Railway Order Expansion:** ₹334 Cr confirmed order + potential new traction contracts of ₹100+ Cr post qualification completion. Railway could become a high-margin 10-15% revenue contributor.
FY28 Launch	**2-Pole Generator & Motor Line:** Strategic new product targeting higher-frequency industrial motors and advanced DC cooling applications. Could open a new ₹500+ Cr revenue segment with premium margins.

PART B — TECHNICAL ANALYSIS

B0

Weinstein Stage Analysis

Stage 1 Base	Stage 2 UPTREND ▲	Stage 3 Top	Stage 4 Decline

📊 Stage 2 Bull — Extended

- **Long Base (2018–2022):** TDPS consolidated in ₹100–200 range for 4+ years (Stage 1/2 transition)
- **Stage 2 Breakout (FY22-FY23):** Broke ₹200 on volume; powered by first earnings recovery post-COVID and order book rebuild
- **Current Level:** ₹868 — near ATH of ₹933; Stage 2 intact but extended after +49% in 1 month
- **Assessment:** Strong Stage 2 uptrend with powerful fundamentals. Monthly RSI likely >70 — typically signals a pause/consolidation phase before the next leg
- **Key Moving Averages:** Weekly 30-WMA likely near ₹600–650; price is materially extended above MA. Mean reversion to ₹760–800 zone is high probability in medium-term

🔍 Price History Context

- **52W Low:** ₹293 (Mar 2025)
- **52W High / ATH:** ₹933 (Feb 2026)
- **CMP:** ~₹868 (~7% below ATH)
- **1-Month Gain:** +49% (extreme short-term extension)
- **1-Year Gain:** +197% (from ₹293 to ₹868)
- **Correction from ATH:** -7% (shallow — stock is consolidating near top)
- **Preferred Entry:** ₹760–840 (pullback to prior breakout zone + 20-WMA)

B1

Momentum, Volume & Price Action

Weekly Trend	Strong Uptrend
Monthly RSI (est.)	~75–80 (Overbought)
Weekly RSI (est.)	~68–72 (High)
1M Price Action	+49% Breakout
Volume on Rally	Above Average
ATH Distance	-7% from ₹933

Price Action Assessment

Stock broke out from a multi-month base (~₹550–620 range Sept–Nov 2025) with strong volume in December 2025 post Plant 3 commencement announcement. The subsequent 49% rally in one month is extreme — suggesting institutional accumulation but also high near-term consolidation probability. A healthy pullback to ₹760–800 would reset the overbought setup and offer a superior entry for the next leg to ₹1,000+.

Trading Setup Note

Current zone (₹850–880) offers **moderate R:R ~1:1.5**. Preferred entry on pullback to ₹760–820 zone offers **superior R:R ~1:2.5+**. Do not chase at ATH — let the trade come to you on the first significant pullback week.

B2

Key Technical Levels

LEVEL	PRICE (₹)	TYPE	SIGNIFICANCE
All-Time High	933	Resistance	ATH — clear air above if reclaimed; first major ceiling
Current Zone	868	CMP	Near ATH consolidation; breakout zone ₹850–900
Breakout Retest Zone	780–840	Support / Entry	Prior resistance now support; 20-WMA likely here; ideal entry zone
Strong Support	700–720	Support	Prior consolidation zone (Oct–Nov 2025); demand zone
Stop Loss	**640**	Stop	**Below base breakout level; trade invalidation**
Target 1	1,050	Target	FY27E base case (55x P/E); ~21% from CMP
Target 2	1,350	Target	FY28E base case (50x EPS ₹22+); long-term compounder target
52-Week Low	293	History	Recovery from ₹293 to ₹868 = +197%; context for bull run duration

B3

Trend & Relative Strength vs CNX500

3-Month RS vs CNX500	Strong Outperformer (+45%+)
6-Month RS vs CNX500	Significant Outperformer (+80%+)
12-Month RS vs CNX500	Massive Outperformer (+190%+)
Sector (Capital Goods)	Leading sector momentum
Broader Market Trend	CNX500 mixed (India pullback)

RS Analysis

TDPOWERSYS is among the top-5 performers in the Capital Goods sector over 12 months. The RS line is in a clear uptrend versus CNX500. However, given the sharpness of the recent rally (+49% in 1 month), there is risk of short-term RS mean reversion as profit booking kicks in. Long-term RS trend remains firmly positive — fundamental re-rating in progress.

B4

Risk:Reward Analysis

SCENARIO A — PULLBACK ENTRY

1 : 2.7

Entry ₹780–800 | Stop ₹640 | T2 ₹1,200

Reward: ₹400 (to T2 ₹1,200) | Risk: ₹150
Preferred Setup — Wait for pullback

SCENARIO B — CURRENT ZONE

1 : 1.6

Entry ₹860–880 | Stop ₹700 | T2 ₹1,200

Reward: ₹330 (to T2 ₹1,200) | Risk: ₹170
Acceptable — small initial position only

SCENARIO C — ATH BREAKOUT

1 : 1.5

Entry ₹940+ | Stop ₹800 | T2 ₹1,350

Reward: ₹410 (to T2 ₹1,350) | Risk: ₹140
Only on weekly close ATH breakout above ₹933

B5

Entry Strategy, Exit Milestones & Position Sizing

PARAMETER	DETAIL
Preferred Entry	₹760–840 (on 10–15% pullback from ATH)
Acceptable Entry	₹840–880 (current zone — small starter)
Stop Loss	₹640 (weekly close below)
Target 1 (6–9 months)	₹1,050 (FY27E 55x EPS consensus)
Target 2 (12–18 months)	₹1,350 (FY28E re-rating)
Position Size	4–6% of portfolio (mid-cap quality)
Build Strategy	50% at ₹780–820, 50% on ATH breakout
Review Trigger	Q4 FY26 concall — Plant 3 ramp confirmation
Exit Trigger	PAT growth slows <20% or promoter <20%

⚡ Actionable Plan

- **Do NOT chase at ₹868 with full position** — stock is +49% in 1 month; near ATH
- **If pullback to ₹780–820:** Build 4–5% position with stop ₹640. R:R excellent at 1:2.7
- **If stays near ₹850–880:** Enter 2% starter, add on pullback or ATH breakout confirmation
- **ATH Breakout above ₹933 (weekly close):** Add 2–3% more — momentum continuation setup
- **Partial Profit Taking:** Book 30–40% at T1 ₹1,050, hold balance for T2 ₹1,350 or 18 months

⚡ ACCUMULATE | Entry Zone: ₹760–840 | Stop: ₹640 | T1: ₹1,050 | T2: ₹1,350

TD Power Systems is a structural re-rating story at the intersection of India's power infra boom, global data centre buildout, and energy transition. Dominant market position in AC generators (1–52 MW), near-zero debt, 30%+ ROCE, and a record order book of ₹1,845 Cr (+₹334 Cr railway) underpin a compelling 2–3 year compounding thesis.

FY27E revenue guidance of ₹2,200+ Cr (mgmt calls it "conservative") with Plant 3 adding ₹550–600 Cr quarterly capacity from Q1 FY27 sets up a high-quality earnings delivery cycle. At FY27E P/E of ~49x (at ₹868), valuation is elevated but justified given 30%+ PAT CAGR and sector tailwinds.

Key watch item: promoter stake at 26.87% and declining. Entry at ₹760–840 pullback offers the best risk-adjusted opportunity. For long-term portfolios, a 4–6% position at pullback entry targets ₹1,050–1,350 over 12–18 months.