

GE T&D INDIA LIMITED

Analyst Presentation
AGM FY 2021 - 22



Related Party Transactions for Approval

Rs in Millions

| | New/ Existing | Borrowing | Inter Corporate Deposits | Project, Sale/ Purchase | Other Services | Lease/Facility agreement |
|--|------------------|--------------|--------------------------------|----------------------------|-------------------|-----------------------------|
| Borrowings from cash pool <i>- taken/ to be taken excluding interest</i> | Existing* | 7,000 | | | | |
| Inter-corporate deposits/ lending in cash pool <i>- given/ to be given excluding interest</i> | Existing* | | 1,500 | | | |
| Sale and purchase of goods and/ or materials, including project related services | Existing* | | | 2,500 | | |
| Entering into contract(s)/ arrangement(s) for availing or rendering of any services (other than project related services), including <i>- support/ shared services</i> <i>- information technology assets related services</i> <i>- travel related services on actual reimbursements,</i> <i>- cost of shared services & resources</i> <i>- manpower training and development services</i> | Existing* | | | | 1,500 | |
| Entering into contract(s)/ arrangement(s) for lease/ rental/ sub-lease / administrative and supporting facilities sharing agreement(s)/ license / sub-license of movable as well as immovable properties | Existing* | | | | | 125 |
| Total for GE India Industrial Private Limited (GEIPL) : Resolution No 8 , 9 , 10 | | 7,000 | 1,500 | 2,500 | 1,500 | 125 |

* RPT approval taken in AGM dated 6th Aug 21 and postal ballot dated 3rd March 22



Cash Pool : GEIPL

Purpose

Purpose : Short term loans to meet its working capital requirements

Limit for FY 22-23 and upto 67th AGM:

- **Borrowing : 7,000 MINR at any point of time**
- **Lending : 1,500 MINR at any point of time**

FY 2021-22 approval in AGM dated:

- **Borrowing : 7,000 MINR at any point of time**
- **Lending : 1,500 MINR at any point of time**

Benefits Borrowing

- **Availability of additional source of funds**
- **Market benchmark rate of Interest:**
 - Present rate of interest around 6% Variable in nature and is determined by independent transfer pricing consultant at arm's length and is benchmarked to prevailing bank and market prices.
- **Unsecured, payable on demand - higher flexibility to manage funds and optimize interest cost**
- **Day end balance sweep within the entities thereby interest cost incurred on the day end balance**
- **No minimum tenor of borrowings** Flexibility to repay borrowings on daily basis (which in case of bank is only on due date)
- Terms of the cash pool arrangement are consistent with the cash pool arrangement existing within General Electric Company and its subsidiaries
- Pool participants can terminate cash pooling at any time

Benefits Landing

- **Better fund management and optimization of the interest benefit by depositing overnight funds**
- **Better interest on investment: At present around 5%**
 - Variable in nature and is determined by independent transfer pricing consultant at arm's length and is benchmarked to prevailing bank and market prices.
 - However, no loan is given at a rate of interest lower than the prevailing yield of one year, three year, five year or ten year Government Security closest to the tenor of the loan in compliance with the provision of section 186(7) of the Act.
- Unsecured. daily callable on demand
- No minimum tenor of deposits. No penalty of early withdrawal
- Day end balance sweep within the entities thereby interest earned on the day end surplus balance
- The cash pooling offered rate of 1 year with Govt. of India GSec with no penalty on early withdrawal is better than a similar Bank time deposit rate on new deposit rollovers of 91 day (currently at ~ 3%-4.0% p.a.) with 1 % penalty on early withdrawal.
- Pool participants can terminate cash pooling at any time.



Sale/Purchase of goods and services : GEIPL

Sale and purchase of goods and or materials or property or assets of any kind, including project related services

Limit for FY 22-23 and upto 67th AGM: 2,500 MINR p.a.

FY 2021-22 approval in AGM dated 6th Aug 21: 2,500 MINR

- GETDIL business opportunity to sell its offering to GEIPL for fulfillment of turnkey project in **potential opportunities in Wind, Hybrid, Gas turnkey project**
- Purchase of products and services from GEIPL to fulfill the requirements of Third Party contracts of GE T&D India Limited
- Contracts awards may include furnishing of BGs for advance or performance of contracts
- Sale / Purchase price to be derived at arms length using TP policy of the Company

Entering into contract(s)/ arrangement(s) for availing or rendering of any services (other than project related services), including

- support/ shared services
- information technology assets related services
- travel related services on actual reimbursements,
- cost of shared services
- manpower training and development services

Limit for FY 22-23 and upto 67th AGM: 1,500 MINR p.a

FY 2021-22 approval in AGM dated 6th Aug 21 : 1,500 MINR

- GEIPL entity negotiates the contract with TP services provides like IT assets, travel cost, training etc...on pan India basis, to leverage negotiation at larger scale
- Deployment of shared resources, manpower to optimize utilization at scale
- Price are derived at arms length using TP policy of the Company

Entering into contract(s)/ arrangement(s) for lease/ rental/ sub-lease / administrative and supporting facilities sharing agreement(s)/ license / sub-license of movable as well as immovable properties

Limit for FY 22-23 and upto 67th AGM: 125 MINR p.a.

Approval in postal ballot dated 3rd March 22 : 125MINR

- Support to optimize the cost by sharing cost of common facilities and bring in operational efficiency to the Company



Thank You

